1964

ANNUAL REPORT

another year of progress

Burlington
Route

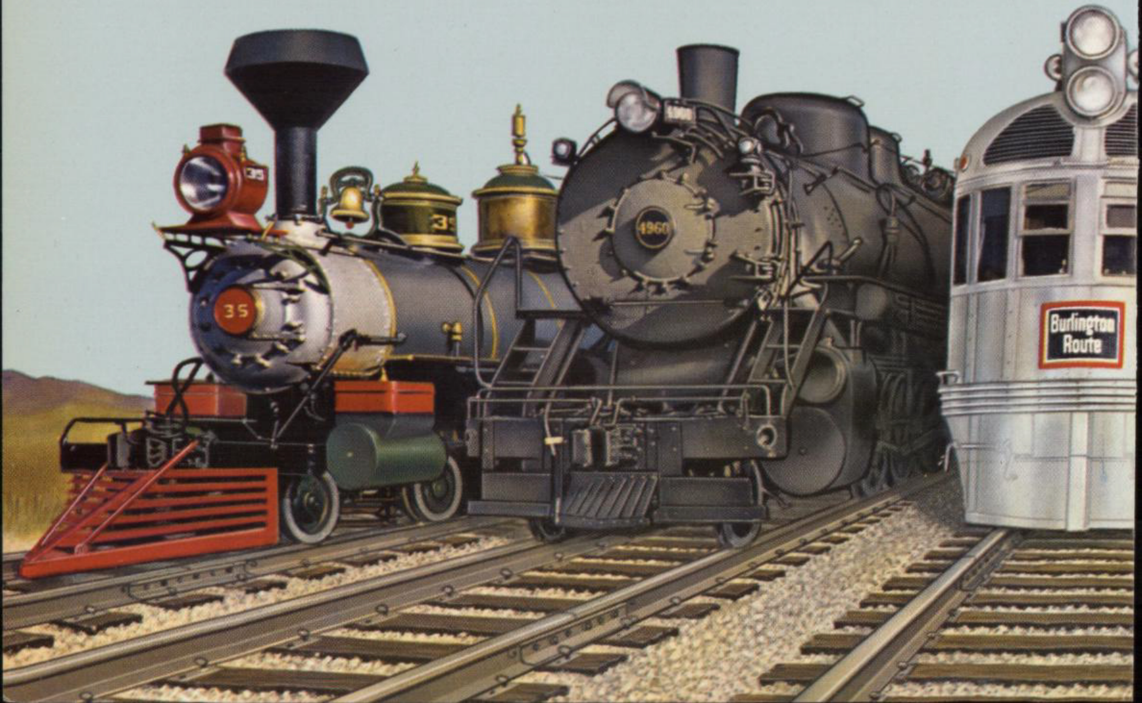
CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

BOARDS
652.0973
C4322r

To the Shareholders:

During 1964 new fast freight train schedules were established to maintain Burlington's place among leaders in the transportation industry. Continued improvement was made to track and roadbed, and additional new specialized equipment acquired for better service to our customers. New locomotives of increased horsepower were acquired to maintain the exacting schedules necessary in the highly competitive transportation field. Further, additional rolling stock of advanced design will be acquired in 1965, and continued effort will be made to improve service wherever possible.

Sincerely,
H. C. MURPHY



1964
another year of progress

one hundred
eleventh
annual report
of the
board of directors

Burlington Route

december 31, 1964

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

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Burlington Route
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Burlington Route

DIRECTORS

H. C. Murphy,
President, Chicago, Burlington & Quincy Railroad Company

John M. Budd
President, Great Northern Railway Company,
St. Paul, Minn.

Kenneth F. Burgess
Partner, Sidley, Austin, Burgess & Smith, Chicago, Ill.

Cris Dobbins
President, Ideal Cement Company, Denver, Colo.

J. C. James
Retired Executive Vice President and General Counsel,
Chicago, Burlington & Quincy Railroad Company,
Chicago, Ill.

W. W. McCallum
President, John Morrell & Company, Chicago, Ill.

Robert S. Macfarlane
President, Northern Pacific Railway Company,
St. Paul, Minn.

Ellsworth Moser
Retired Chairman of the Board,
United States National Bank of Omaha, Omaha, Nebr.

R. Douglas Stuart
Director, The Quaker Oats Company, Chicago, Ill.

EXECUTIVE COMMITTEE

H. C. Murphy, *Chairman*
John M. Budd
Kenneth F. Burgess
J. C. James
W. W. McCallum
Robert S. Macfarlane
R. Douglas Stuart

OFFICERS

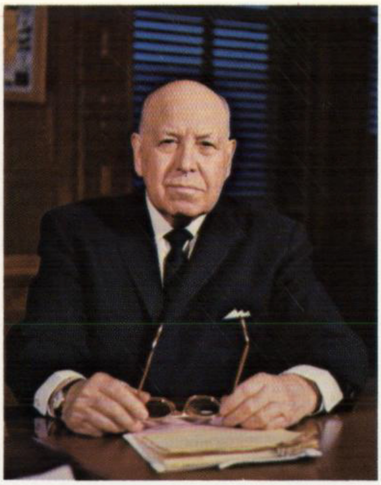
H. C. Murphy, *President*
Eldon Martin, *Vice President and General Counsel*
Guy R. Glover, *Vice President—Traffic Department*
E. L. Potarf, *Vice President—Operating Department*
W. K. Bush, *Vice President, Executive Department*
W. N. Ernzen, *Vice President and Comptroller*
L. N. Assell, *Secretary and Treasurer*
R. W. Smith, *Assistant Secretary and Assistant Treasurer*
E. J. Brown, *Chief Engineer*
H. V. Schiltz, *Director of Purchases*
E. A. White, *General Auditor*

John E. Adams E. V. Fink	*Fiscal Agents, 40 Wall St., New York*
Gerard Montgomery Martin H. Weber	*Transfer Agents, 40 Wall St., New York*

THE ABOVE WERE DIRECTORS AND OFFICERS AS OF DECEMBER 31, 1964

Principal Office—Burlington Building

547 W. Jackson Blvd., Chicago, Ill. 60606

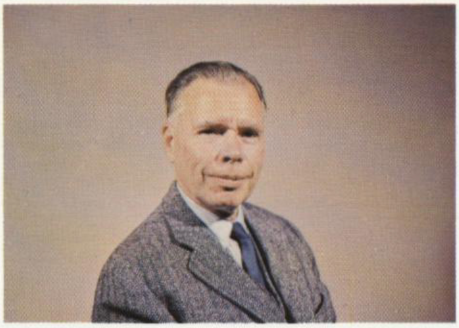


Harry C. Murphy

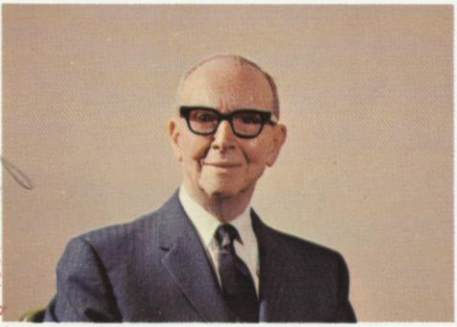
John M. Budd

Robert S. Macfarlane

Kenneth F. Burgess



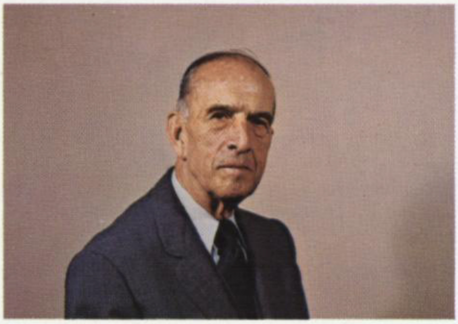
Cris Dobbins



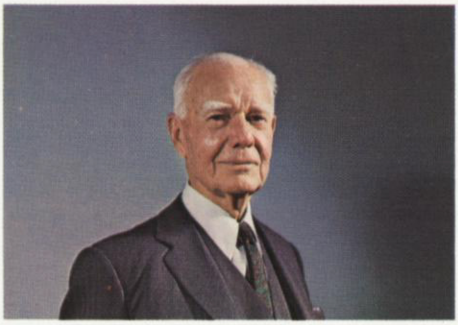
MAY 13 1965 Co.

J. C. James

W. W. McCallum



Ellsworth Moser



R. Douglas Stuart

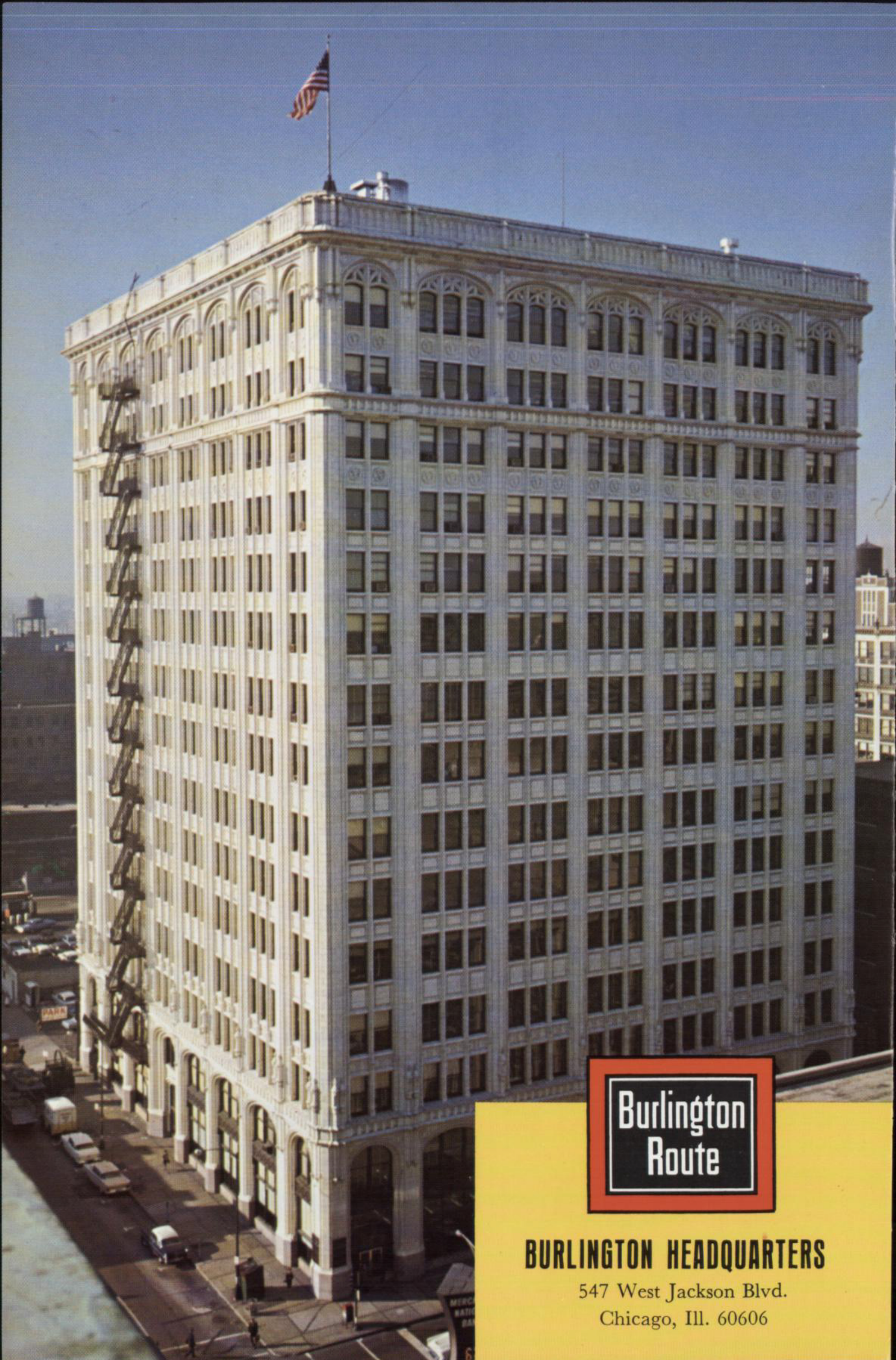
W. K. Bush

W. N. Ernzen

Guy R. Glover

Eldon Martin

E. L. Potarf



Burlington Route

BURLINGTON HEADQUARTERS

547 West Jackson Blvd.
Chicago, Ill. 60606

HIGHLIGHTS OF OPERATIONS

	1964	1963	Increase or *Decrease*
Operating Revenues (Page 42)	$ 267,379,529	$ 261,713,684	$ 5,665,845
Operating Expenses (Page 42)	$ 217,258,619	$ 208,555,126	$ 8,703,493
Operating Ratio (Page 42)	81.25	79.69	1.56
Available for Fixed Charges	$ 28,234,348	$ 29,014,193	$ *779,845*
Fixed Charges (Page 42)	$ 7,879,006	$ 7,646,545	$ 232,461
Times Fixed Charges Earned	3.58	3.79	*.21*
Total Taxes (Page 35)	$ 21,204,576	$ 22,870,497	$ *1,665,921*
Net Income—ICC Basis (Page 42)	$ 20,355,342	$ 21,367,648	$ *1,012,306*
Dividends Paid	$ 12,812,902	$ 12,812,902	
Averages per Share of Stock:			
Taxes	$ 12.41	$ 13.39	$ *.98*
Net Income	$ 11.91	$ 12.51	$ *.60*
Dividends Paid	$ 7.50	$ 7.50	
Net Investment	$ 727,668,795	$ 718,582,830	$ 9,085,965
Rate of Return—Net Rwy. Operating Income on Net Investment	3.30%	3.49%	*.19%*
Average Number of Employes	20,859	21,034	*175*
Total Wages	$ 136,184,059	$ 131,820,744	$ 4,363,315
Revenue Ton Miles	18,084,661,144	17,646,415,120	438,246,024
Gross Ton Miles per Freight Train Hour	75,371	74,580	791
Revenue Passenger Miles	820,331,042	800,724,819	19,606,223
Miles of Road Operated	8,545.54	8,545.96	*.42*
Total Outstanding Funded Debt including Equipment Obligations (Page 46)	$ 228,560,780	$ 220,538,299	$ 8,022,481

REPORT

for the year ended December 31, 1964

Although gross revenues increased substantially in 1964 from 1963, net income decreased due primarily to the increase in wages and other employe benefits granted during the year.

Net income was $20,355,342, a decrease of $1,012,306, or 4.74 per cent under 1963.

Operating revenues were $267,379,529, an increase of $5,665,845, or 2.16 per cent over those of 1963.

Operating expenses were $217,258,619, an increase of $8,703,493, or 4.17 per cent above those of 1963.

Railway taxes recorded in income account declined to $21,204,576, a decrease of $1,521,959, or 6.70 per cent under 1963.

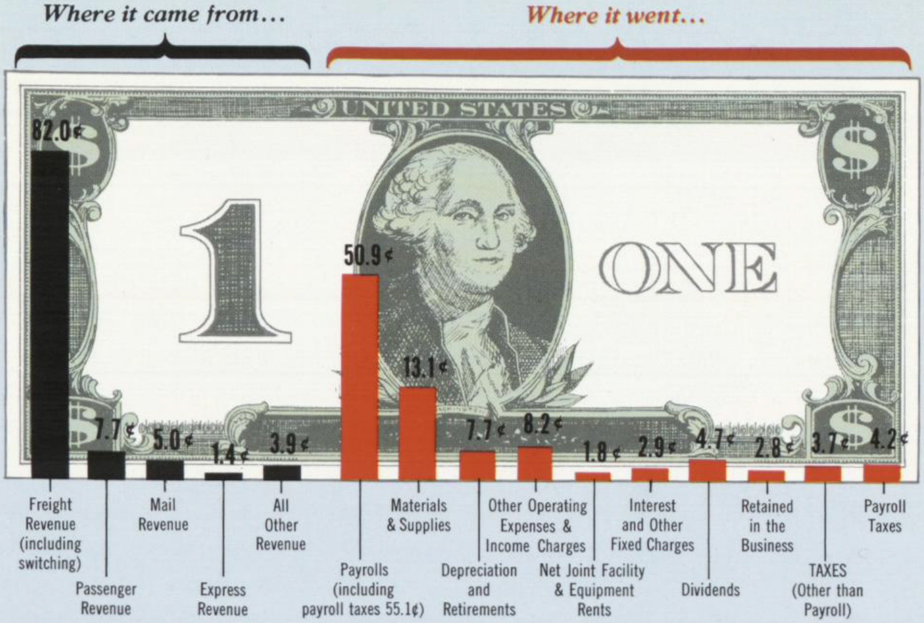
During 1964, the Company improved its property by gross expenditures for equipment and roadway aggregating $32,380,170 chargeable to capital. These expenditures during the past ten years amount to $289,480,840.

GROSS CAPITAL EXPENDITURES

Years 1955-1964 Inclusive

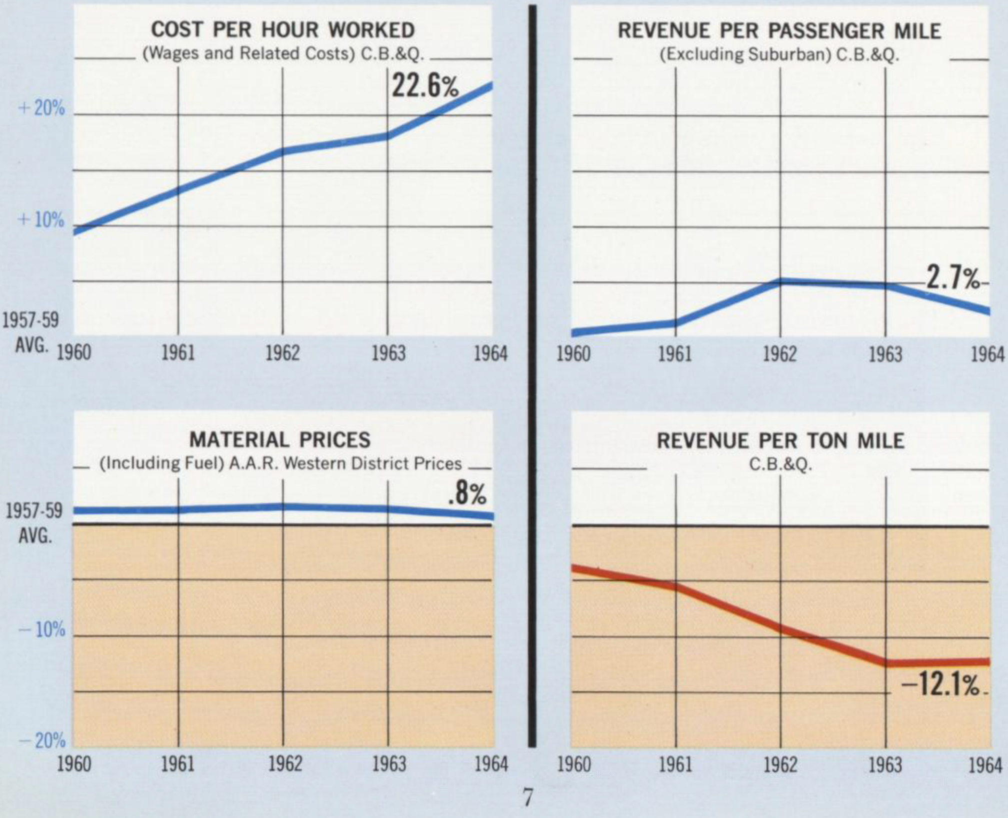
	Road and General	Equipment	Total
1955	$ 5,390,690	$ 19,825,370	$ 25,216,060
1956	16,466,228	14,871,156	31,337,384
1957	23,942,890	22,474,055	46,416,945
1958	8,232,334	21,196,344	29,428,678
1959	9,078,179	18,281,592	27,359,771
1960	13,610,304	13,357,357	26,967,661
1961	2,980,270	17,677,201	20,657,471
1962	3,152,456	15,973,121	19,125,577
1963	3,493,326	27,097,797	30,591,123
1964	4,810,561	27,569,609	32,380,170
Total	$91,157,238	$198,323,602	$289,480,840

OUR 1964 INCOME DOLLAR



TREND OF WAGE COSTS, MATERIAL PRICES, AND REVENUES

in Per Cent of Increase or Decrease from 1957-59 Average



FREIGHT TRAFFIC

As in the preceding year, threatened work stoppages at intervals throughout 1964 resulted in diversion of rail traffic to other modes. The most acute car shortage on record was experienced by Burlington during the last quarter of 1964, resulting in loss of several thousands of carloads of traffic. As of November 1, the equivalent per cent of this company's box car ownership on line was 71.8. Despite car distribution orders issued by the Interstate Commerce Commission to other lines beginning the latter part of October, it was not until after the end of the year that a sufficient number of cars were made available to Burlington to alleviate the backlog of car orders and satisfy current requirements at on-line points.

Increases were recorded in revenue tons and cars handled as well as adjusted freight revenue notwithstanding car shortages and threatened service curtailments. From a carload revenue standpoint, the only category for which a decrease was recorded was Animals and Products, where the decrease was minimal. A continued program of service improvement, establishment of additional incentive freight rates, and expansion of Burlington's large and diversified equipment ownership resulted in revenue tons handled being the highest since the year 1947.

Adjusted freight revenue for 1964 was $219,037,355 compared with $213,322,099 in 1963, an increase of 2.68 per cent.

Carloads of revenue freight handled in 1964 totaled 1,410,668, an increase of 41,079 or 3.00 per cent over 1963.

Revenue tons carried in 1964 were 56,643,713, an increase of 2,551,585 or 4.72 per cent. Freight train miles increased 2.89 per cent.

The average revenue per ton mile increased from 1.209 cents in 1963 to 1.211 cents in 1964 or 0.17 per cent.

Average load per freight car was 40 tons as compared with 39 tons in 1963, an increase of 2.56 per cent.

FREIGHT RATES

Larger capacity equipment placed in service in recent years has made practicable rate reductions on many commodities, based on heavier loadings, to meet the competition of other forms of transportation, yet return a profit. Restrictions on loading and unloading time and imposition of minimum volume requirements assure the profitability of the lower rates.

One important adjustment was the establishment of low rates on feed grains in large, covered hopper cars from the Missouri River and points west to feeding areas in northern Colorado and the North Platte Valley. For many years increasing amounts of this movement have been by truck but it is anticipated this new adjustment will reverse the trend and return the traffic to the rails. The new rates also should lessen the eastbound trucking of wheat, since trucks carrying feed corn into Colorado, for example, endeavor to secure loads of wheat on the return movement. To assist in meeting this eastbound competition, a reduction was made in gathering rates from the western wheat-growing territory to Missouri River markets.

A reduction also was made in grain export rates to Gulf ports to combat truck-barge competition, and was extended to high-volume flour shipments to protect that traffic by keeping western flour millers competitive with foreign millers.

A water-competitive adjustment was made on cement from LaSalle to Waukegan, Illinois, which will return in excess of 30,000 tons annually to rail movement.

The establishment of ramp-to-ramp TOFC rates also continued at a very active pace. This is quite advantageous to the railroad, as terminal costs borne by the railroad are greatly reduced.

Source of Freight Revenue

	1964	Per Cent of	Per Cent Change from 1963	
	Revenue*	Total	Increase	Decrease
Products of Agriculture	$ 52,260,024	22.02	1.14	
Animals and Products	14,294,249	6.02		1.19
Products of Mines	35,714,719	15.05	4.23	
Products of Forests	17,037,661	7.18	6.35	
Manufactures and Miscellaneous	103,463,929	43.60	5.24	
Forwarder Traffic	11,719,900	4.94	21.31	
Less-Than-Carload	2,827,834	1.19		21.35
Total	$237,318,316	100.00	4.09	

*Gross Freight Revenue, stated without adjustments for absorptions (principally switching, pick-up and delivery, and corrections) which reduced total freight revenue to $219,037,355.

TRAILERS ON FLAT CARS

During 1964, TOFC ramps were added at Prairie du Chien, Wisconsin; Dubuque, Iowa; and Columbus, Nebraska, bringing the total number to fifty-four. A total of 53,707 trailers were handled in TOFC service in 1964 compared to 52,682 trailers in 1963.

An additional fifteen trailers were equipped in 1964 for handling Government ammunition and explosives. A total of twenty-five trailers now are equipped to accommodate regular movements from ammunition depots served by Burlington.

MULTI-LEVEL TRAFFIC

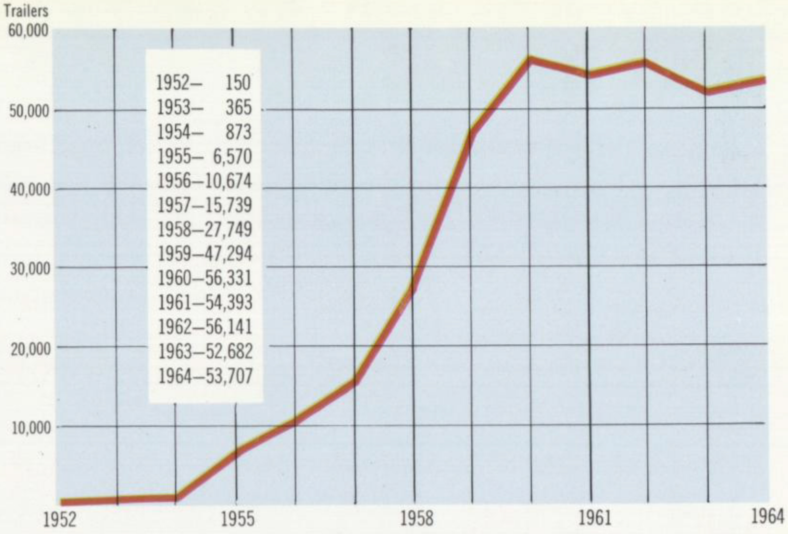
Burlington handled 5,560 carloads of automobile, truck and tractor traffic on multi-level equipment in 1964 as compared with 5,515 carloads of such traffic in 1963. Automobile shipments were curtailed during September-October, 1964, as a result of labor problems in the industry.

LIVESTOCK AND MEAT

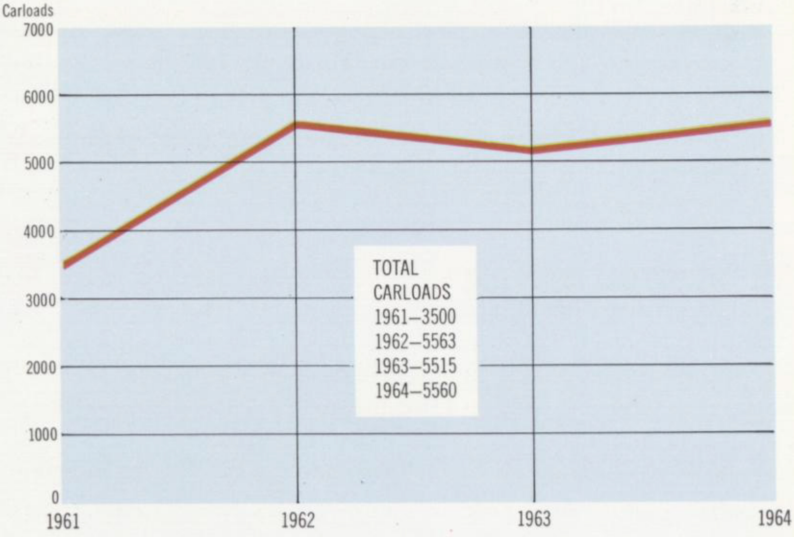
Meat and packing house operations throughout the midwest are expanding. New packing plants are now under construction at Brush, Colorado; Monmouth, Illinois; Sioux City, Iowa; Grand Island, Minden and Dakota City, Nebraska, with varying capacities of from five to thirty carloads of outbound products per day. These plant expansions and new plants result from economics favoring slaughter of livestock close to the supply. As a result, several large feed lots with a capacity of 50,000 animals have been, or are being, constructed in some of these same areas to supply the finished animals.

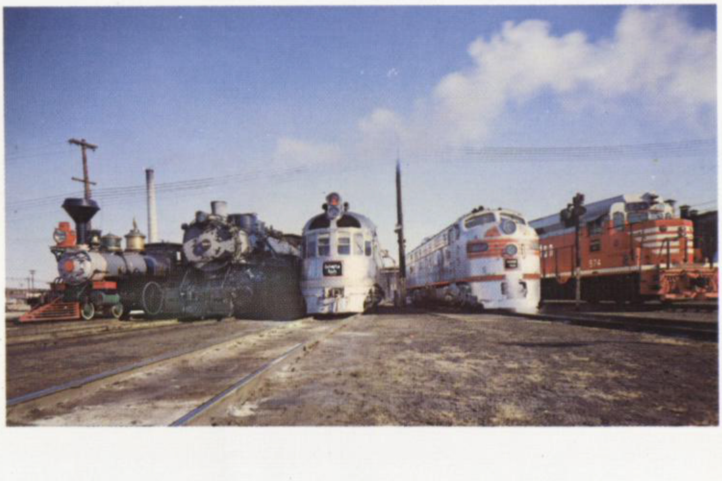
Burlington initiated the establishment of per car rates on stocker and feeder cattle late in 1964 which should increase the volume of such traffic. Expeditious train service via the Laurel Gateway to Missouri River area markets has opened new outlets for producers of stocker and feeder cattle in the Montana range area. Nine livestock trains of from fifty to eighty-two cars each moved during the fall of 1964. There were 6.78 per cent fewer swine on farms than during the previous year.

Loaded trailers moved in TOFC service.



Carloads of automobiles and tractors moved on multi-level flat cars.





A moment in history was preserved on a November day in 1963 when exhibition steam locomotive No. 35 (originally Hannibal & St. Joseph 66) joined 1923 steamer 4960, last of the original Zephyrs 9908, a modern E-9 passenger unit and GP-30 freight diesel 974 for a family portrait at Galesburg. This is how they looked before the artist's brush transformed the scene into a near-painting.

AGRICULTURE

A prolonged drought during mid-summer 1964, together with governmental acreage limitations, adversely affected production of farm crops in states served by the Burlington. Early harvested small grains were damaged least—corn, beans, and hay crops more severely. Overall tonnage of major crops declined 11 per cent from 1963; 2 per cent from the 1958-1962 average.

Corn production declined 15 per cent, oats 13 per cent, soybeans 4 per cent—the latter despite a 10 per cent increase in planted acreage. Grain sorghum, a relative newcomer among feed crops but important in Kansas, Nebraska, and Colorado, decreased 23 per cent, dry edible beans 22 per cent, potatoes 13 per cent. Sugar beets, to which 5 per cent more acreage was devoted, declined about 12 per cent in tonnage below the unusually good crop of 1963 but exceeded the 1958-1962 average. Sugar content of the crop was good and should provide greater amounts of sugar available for movement during 1965. Hay and forage crops, though slightly reduced, appear sufficient to winter breeding herds.

The 1965 outlook for wheat production in Burlington's key producing areas of western Nebraska and eastern Colorado is uncertain. Drought persisted in these important areas throughout the fall seeding and early winter seasons. Germination was poor and growth of the small plants limited. Late winter snows have greatly alleviated the moisture shortage, but the extent of damage will not be known until spring. Wheat and corn in storage in Burlington states totaled 3,810,622,000 bushels at the close of the year, a 12.28 per cent decrease from 1963.

The construction of Yellow Tail Dam progressed rapidly. When completed it will augment irrigation water supplies on existing acreage in the vicinity of Hardin, Montana, and eventually provide water for 40,000 additional acres. Similarly, the development of irrigation from wells in eastern Colorado drawing from previously untapped water-bearing beds resulted in new production of about 2,500 acres of sugar beets on lands formerly devoted to pasture and dry land grain crops. Burlington hauled these beets to existing processing plants in eastern Colorado. Indications are that this irrigation will expand rapidly and provide Burlington with a new source of farm tonnage.

ALUMINUM COAL CAR

After a thorough study of various types of high-capacity coal cars equipped with automatic dumping devices, the Burlington early in 1964 designed and constructed at its Havelock shops CB&Q 163000. The car, constructed of aluminum, is capable of carrying 105 tons of coal, and was tested under various weather and operating conditions.

Valuable information was gained from these tests resulting in certain mechanical modifications which were incorporated in the construction of CB&Q 163001, built in September, 1964. The car has performed successfully. Approximately 100 tons of coal were dumped in seventeen seconds in a recent test. It will serve as a prototype for unit train equipment to be built in 1965.

INDUSTRIAL DEVELOPMENT

Industrial development was active during 1964. There were 877 new industrial leases issued on land owned by the railroad, many to accommodate small facilities for the distribution of fertilizers and other farm-consumed chemicals.

Sixteen industries purchased Burlington-owned land on which to erect new plants and nine expanded plants located on land previously purchased from Burlington. Twenty-nine new industries located on other lands available to our service. Fifty new industrial tracks or track extensions were built; three temporary contractors' tracks were installed and four were continued in use an additional year.

Several large fertilizer manufacturing companies located plants on the Burlington in Nebraska, Missouri, and Iowa to help satisfy agriculture's need for that product. Also, tendency of the packing industry to establish smaller plants near livestock population centers has resulted in several packing plants locating on Burlington Lines in 1964.

Burlington acquired land for industrial use at Monmouth and Beardstown, Illinois; Kansas City, Missouri; Des Moines, Iowa; Hastings, Nebraska; Denver, Colorado; and Casper, Wyoming. Additional lead trackage was constructed in the railroad's industrial districts at North Kansas City, Missouri; Lincoln, Nebraska; and Denver, Colorado. Water and sewer lines and roads were extended in Burlington's North Kansas City, Missouri, industrial district and water lines were installed to serve our industrial districts at Lincoln, Nebraska, and Denver, Colorado.

BURLINGTON'S INDUSTRIAL DEVELOPMENT

1964 was a good year for the construction and expansion of industrial plants served by the railroad.

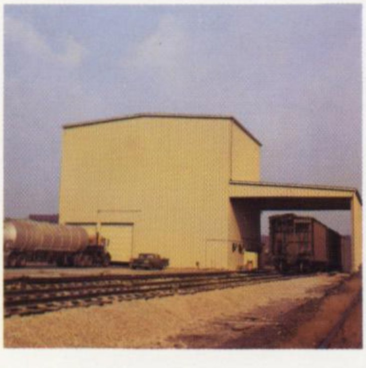
GW
PURE
SUGAR
Burlington

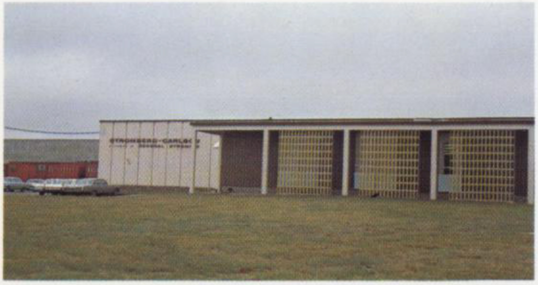
California Oil Co., Denver, Colo.

Top: Great Western Sugar, Brookfield, Ill.

Below: Bulk Flour Facility, Chicago, Ill.

Sears, Roebuck & Co., North Kansas City, Mo.




STROMBERG-CARLSON

Stromberg-Carlson
North Kansas City, Mo.

Armour Dial Soap and Distribution Center,
Montgomery, Ill.

Above: Underground Storage Co.,
Randolph, Mo.

Right: D. H. Overmeyer Warehouse Co.,
Denver, Colo.

Aerial View—Montgomery, Ill.

PERISHABLE TRAFFIC

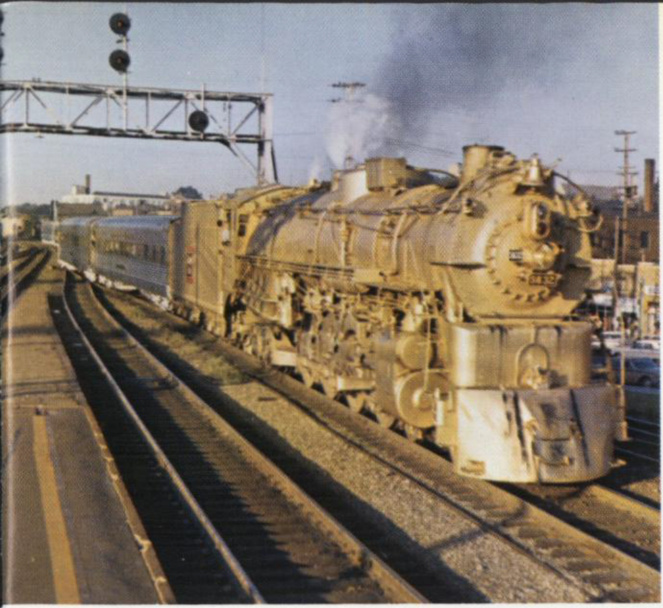
Havelock Shops are playing an important part in the development of materials and application techniques to provide the most efficient refrigerator and insulated equipment now being constructed.

Increased production of foodstuffs throughout territory served by and tributary to the Burlington, which do not require critical temperature control but need protection from extreme temperature changes while enroute, has required an increase in the fleet of insulated box cars.

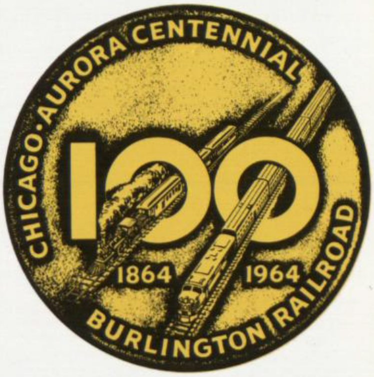
Yellowtail Dam on Big Horn River in Montana is located about 45 miles from Hardin, Montana, forming a spectacular new lake with 195 miles of shore line. It will supply supplemental water to the Hardin Irrigation District, an important sugar beet growing area. It will also provide water for 40,000 acres of newly irrigated land, all of which is served by the Burlington.

Burlington
100
102

New U25B Locomotives pulling fast freight west of Sheridan, Wyoming.



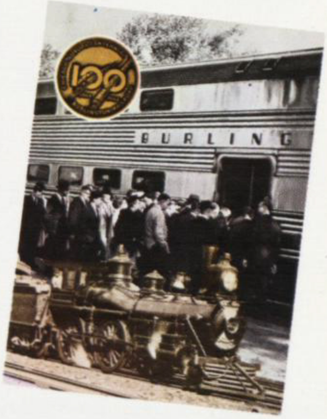
100th Anniversary CHICAGO-AURORA MAINLINE SERVICE



On Wednesday, May 20, 1964 thousands of our friends joined in the Centennial Celebration. A special train with steamer No. 5632 in gilt paint carried city officials and guests from Chicago and suburban points to Aurora for the Centennial banquet in the dining hall of Marmion Academy. Over 600 guests attended.

Right above: Gold foil medallion seal was Centennial symbol. Twenty inches in diameter, it was placed on engines and cars and used in many windows and store displays.

Right center: 28-page historical souvenir booklet of the first hundred years of the Aurora-Chicago line prepared for the occasion.



Climaxing Centennial festivities was steam excursion between Chicago and Aurora May 23 that set a record for most passengers carried on a single train—3,500.

President H. C. Murphy presented senior commuter Arthur Higgs with a trainman's lantern at Centennial Dinner—while John Ford, retired Zephyr engineer, looks on.

PASSENGER TRAFFIC

Total passenger revenue in 1964 was $20,796,592, an increase of $118,773 or 0.57 per cent over 1963. Eliminating suburban revenue (multiple-ride tickets, one-way and round-trip tickets, and cash fares in Chicago-Aurora suburban territory), the increase was $7,129 or 0.04 per cent. Revenue from suburban fares for 1964 was $4,558,620, an increase of $111,644 or 2.51 per cent.

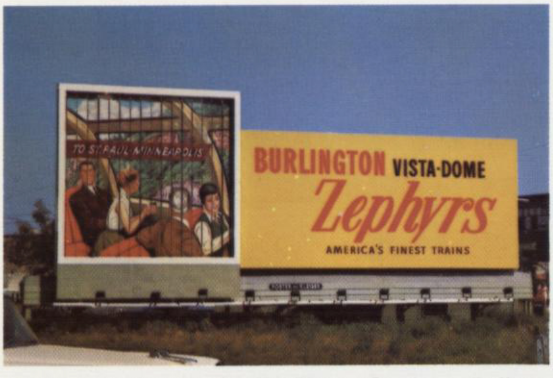
Passenger traffic in 1964 was handled with a decrease of 30,327 passenger train miles or 0.37 per cent compared with 1963. Total passenger car miles increased 1.90 per cent.

All revenue passengers carried in 1964 increased 2.44 per cent over 1963, while corresponding passenger miles increased 2.45 per cent. Excluding suburban traffic, the number of revenue passengers carried in 1964 decreased 2.00 per cent compared with 1963, while corresponding passenger miles increased 2.29 per cent.

Average revenue per passenger mile was 2.535 cents in 1964 compared with 2.582 cents in 1963.

PASSENGER FARES

There was no general increase or decrease in passenger fares and charges during 1964. An application to the Illinois Commerce Commission to increase fares in the Chicago-Aurora suburban district approximately ten per cent was granted by the Commission with the new fares to become effective January 1, 1965. It is estimated this adjustment will increase our suburban ticket revenue approximately $400,000 per annum.


TO ST. PAUL-MINNEAPOLIS
BURLINGTON VISTA-DOME
Zephyrs
AMERICA'S FINEST TRAINS

Burlington's Spectacular Tri-Vision Outdoor—Bulletin is rotated every sixty days to prime locations in Chicago —the first by any transportation company.

BURLINGTON VISTA-DOME
Zephyrs
AMERICA'S FINEST TRAINS

BURLINGTON VISTA-DOME
Zephyrs
AMERICA'S FINEST TRAINS

MAIL

Revenue for transporting mail in 1964 was $13,604,258, an increase of $75,033 or 0.55 per cent compared with 1963.

EXPRESS

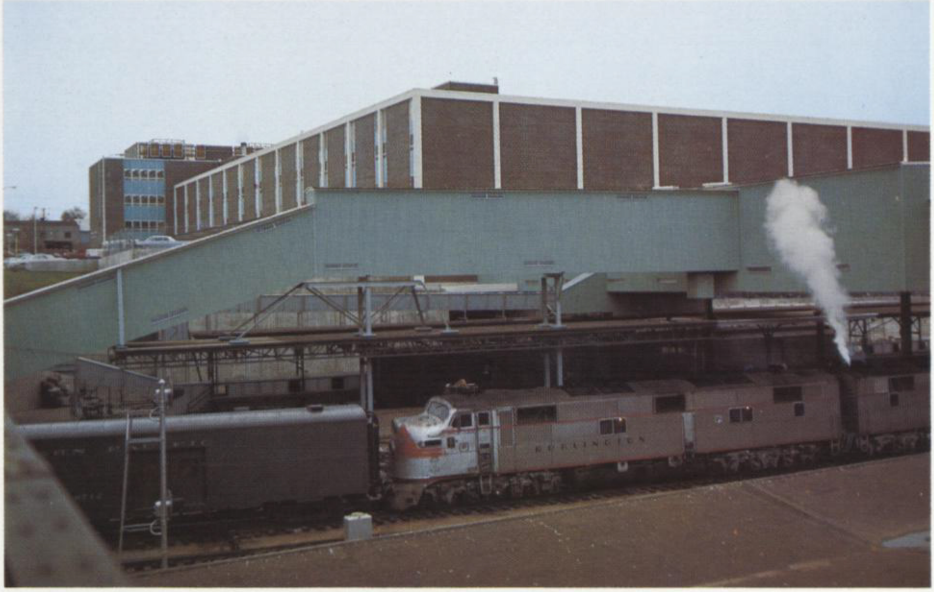
Express income for 1964 was $3,660,114, an increase of $343,475 or 10.36 per cent compared with 1963, because of additional regular express lines being awarded to the Company.

UNPROFITABLE PASSENGER TRAIN SERVICE

Trains 15 and 2 between Chicago and Galesburg, Illinois, were discontinued April 26, 1964, with savings of 118,260 train miles annually.

Three pairs of Monday through Friday suburban trains between Chicago and Aurora were discontinued during the year, with savings of 59,280 train miles annually.

Other lightly-patronized passenger trains are under study for possible removal or reduction in service.



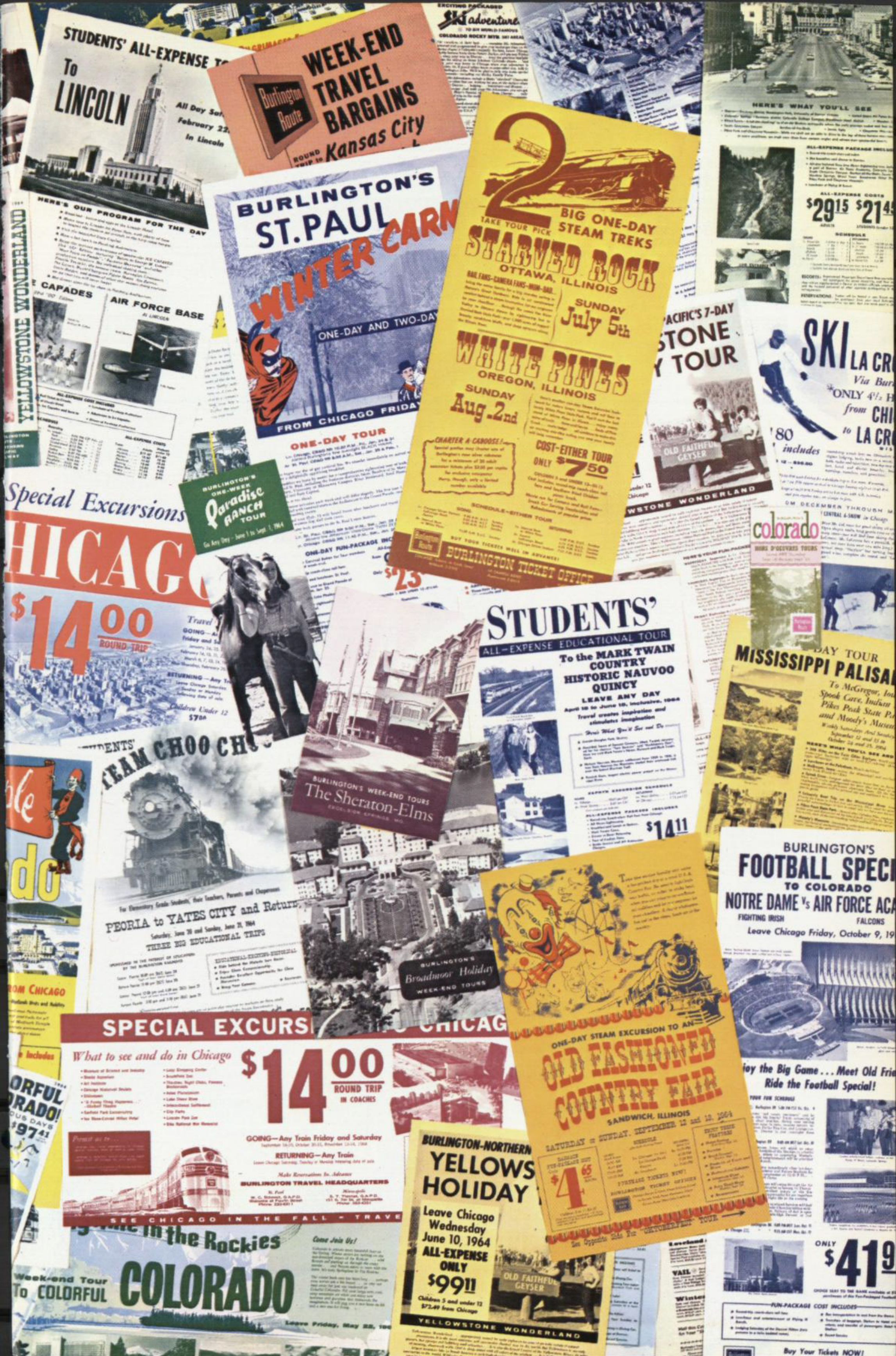
The new United States Post Office in Omaha, Nebraska located adjacent to Burlington Station on property purchased from the railroad. Pictured here is the Fast Mail; on March 10, 1964 this train celebrated its 80th Anniversary of carrying the mail from Chicago to Council Bluffs and Omaha.

1964
Another Year of Progress in CREATED TRAFFIC

201,089 Passengers
Rode Burlington
Railroad Excursions
and Tours in 1964

Burlington
Route

BURLINGTON'S FUN'n FROLIC WEEK-END TOUR
PALMER HOUSE
DRURY LANE THEATRE
MARTINIQUE RESTAURANT
CAROL CHANNING
JEANNE CRAINE
ABBE LANE XAVIER CUGAT
PHYLLIS DILLER
FRANKIE LAINE
. . . and other headline attractions
TO CHICAGO
Steal away with your wife and have the time of your life—
FUN PACKAGE COSTS
SPEND A WEEK AT PARADISE
LEAVE CHICAGO SUNDAYS
Cowboys and Cowgals . . . Ranch Fun via BUR
YELLOWSTONE
$96.72
IMPORTANT OCCASION!
cordially invites
to join in a program of
UNUSUAL
BURLINGTON'S Tour of the Month
OKTOBERFEST
at LA CROSSE, WIS. OCT. 3rd
der Froliker Programmen!
OKTOBERFEST PARADE
SQUARE DANCING
BOWLING TOURNAMENT
SOCCER GAME
GERMAN BANDS
CLOWNS & NOVELTY ACTS
BOAT RIDES
ART SHOW
$9.50
Let's Go!
PURCHASE YOUR TICKETS
BURLINGTON TRAVEL HEADQ
Burlington-Northern Pacific
Yellowstone Park 7-DAY HOLIDAY TOUR
$99
NOW!
STUDENTS' ON
to C
April 3-10
Medinah Temple
TO COLORFUL Colora
2 GREAT PILGRIMAGES
AUTUMN PANOR
Week-end Tour
To COLORFUL COLORA
1964 BURLINGTON / BUS
COLORADO LAND CRUISES
3 new, thrilling vacations of your choice!
Burlington WEEK-END TOURS From Chicago to
3
STUDENTS'
ALL-EXPENSE EDUCATIONAL T
Dubuque, Iowa—Galena, Ill.
a Cruise on the Mississippi
5½ Hour Ride on the Vista-Dome Twin Zephyr



STUDENTS' ALL-EXPENSE T
To LINCOLN
All Day Sat
February 22
In Lincoln
HERE'S OUR PROGRAM FOR THE DAY

Burlington Route
WEEK-END TRAVEL BARGAINS
ROUND TRIP Kansas City

SKI adventures
COLORADO ROCKY MTS.

HERE'S WHAT YOU'LL SEE
ALL-EXPENSE COSTS
$29.15 $21.45

BURLINGTON'S ST. PAUL WINTER CARN
ONE-DAY AND TWO-DAY
FROM CHICAGO FRIDAY
ONE-DAY TOUR

2 BIG ONE-DAY STEAM TREKS
TAKE YOUR PICK
STARVED ROCK
OTTAWA, ILLINOIS
SUNDAY July 5th
WHITE PINES
OREGON, ILLINOIS
SUNDAY Aug. 2nd
CHARTER A CABOOSE!
COST—EITHER TOUR ONLY $7.50
SCHEDULE—EITHER TOUR
BUY YOUR TICKETS WELL IN ADVANCE!
BURLINGTON TICKET OFFICE

YELLOWSTONE WONDERLAND
CAPADES
AIR FORCE BASE

PACIFIC'S 7-DAY
STONE
Y TOUR
OLD FAITHFUL GEYSER
WSTONE WONDERLAND

SKI LA CR
Via Bur
ONLY 4½ H
from CHI
to LA CR
80 includes

colorado
HORS D'OEUVRES TOURS

Special Excursions
CHICAGO
$14.00 ROUND TRIP

BURLINGTON'S ONE-WEEK Paradise RANCH TOUR
Go Any Day - June 1 to Sept. 1, 1964

STUDENTS'
ALL-EXPENSE EDUCATIONAL TOUR
To the MARK TWAIN COUNTRY
HISTORIC NAUVOO
QUINCY
LEAVE ANY DAY
April 10 to June 10, inclusive, 1964
Travel creates inspiration and stimulates imagination
Here's What You'll See and Do
$14.11

DAY TOUR
MISSISSIPPI PALISA
To McGregor, Iow
Spook Cave, Indian
Pikes Peak State P
and Moody's Museu

STUDENTS'
STEAM CHOO CHOO
PEORIA to YATES CITY and Return
Saturday, June 20 and Sunday, June 21, 1964
THREE BIG EDUCATIONAL TRIPS

BURLINGTON'S WEEK-END TOURS
The Sheraton-Elms
EXCELSIOR SPRINGS, MO.

BURLINGTON'S
Broadmoor Holiday
WEEK-END TOURS

BURLINGTON'S
FOOTBALL SPEC
TO COLORADO
NOTRE DAME vs AIR FORCE AC
FIGHTING IRISH FALCONS
Leave Chicago Friday, October 9, 19

ROM CHICAGO

SPECIAL EXCURSI CHICAG
What to see and do in Chicago
$14.00 ROUND TRIP IN COACHES
GOING—Any Train Friday and Saturday
RETURNING—Any Train
Make Reservations In Advance
BURLINGTON TRAVEL HEADQUARTERS
SEE CHICAGO IN THE FALL — TRAVE

ONE-DAY STEAM EXCURSION TO AN
OLD FASHIONED COUNTRY FAIR
SANDWICH, ILLINOIS
SATURDAY or SUNDAY, SEPTEMBER 12 and 13, 1964
$4.65
See Opposite Side For OKTOBERFEST TOUR

ORFUL
RADO!
US DAYS
$97.41

in the Rockies
Week-end Tour
To COLORFUL COLORADO
Come Join Us!
Leave Friday, May 22, 196

BURLINGTON-NORTHERN
YELLOWS
HOLIDAY
Leave Chicago Wednesday June 10, 1964
ALL-EXPENSE ONLY $99.11
Children 5 and under 12 $72.49 from Chicago
OLD FAITHFUL GEYSER
YELLOWSTONE WONDERLAND

joy the Big Game . . . Meet Old Frie
Ride the Football Special!
ONLY $41.9
FUN-PACKAGE COST INCLUDES
Buy Your Tickets NOW!

OPERATIONS

Total operating expenses increased $8,703,493 or 4.17 per cent over last year, with an increase of $5,665,845 or 2.16 per cent in total operating revenue.

Maintenance of Way and Structures expenses, excluding depreciation and retirements, increased $317,617 or 1.02 per cent. Some of the more important maintenance items performed during the year were:

55.48 miles of track relaid with 136-pound rail, of which 51.10 miles were continuous welded rail.
64.60 miles of track relaid with second-hand rail.
364,882 new creosoted cross ties placed in track.
386,752 cubic yards of ballast applied.

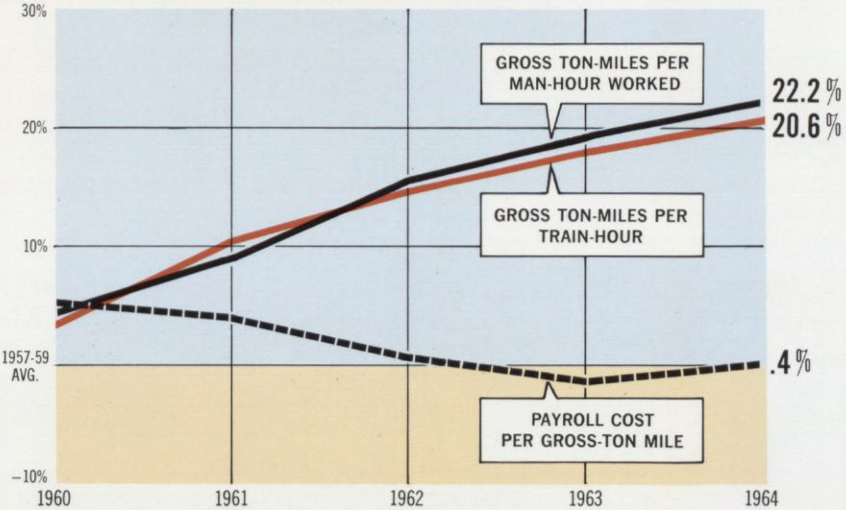
Maintenance of Equipment expenses, excluding depreciation and retirements, increased $1,605,761 or 4.89 per cent.

Transportation expenses increased $4,058,549 or 3.90 per cent. Freight train miles increased 342,515 or 2.89 per cent. Passenger train miles decreased 30,327 or 0.37 per cent.

CAPITAL EXPENDITURES IN 1964

	Gross	Retirements	Net
Road	$ 6,235,486	$ 2,815,408	$ 3,420,078
Equipment	27,569,609	9,030,116	18,539,493
General	—	—	—
Construction work in progress	Cr. 1,424,925	—	Cr. 1,424,925
Total	$32,380,170	$11,845,524	$20,534,646

Productivity and payroll cost.



GROSS TON-MILES—freight and passenger, excluding locomotives
PAYROLL COST—wages and related costs.

Interior view of new $2 million dollar diesel shop where more than 300 diesels are maintained and serviced.

NEW DIESEL SHOP AT LINCOLN

Specialized equipment is used in the maintenance and repair of wheel assemblies, communication devices, brakes, trucks and traction motors, as well as in supplying fuel and service requirements.

Three working levels facilitate diesel locomotive inspection and maintenance.

Exterior view showing two GP-35's leaving new Lincoln diesel shop for regular assignment.

IMPROVEMENTS

ROAD

Major Improvements Completed During 1964

Constructed three-track progressive-stage diesel maintenance shop with supporting component repair facilities, including necessary track changes, at Lincoln, Nebraska, to provide improved utilization of motive power.

Replaced 70-foot pile trestle bridge over Beals Slough near Lincoln, Nebraska, with 118-foot through girder span bridge on concrete piers to provide adequate opening in connection with channel widening project.

Replaced five-span, 77-foot bridge over Blackberry Creek near Aurora, Illinois, with a three-span, 112-foot steel bridge to improve waterway area.

Installed saw-tooth type truck docks at Freight House No. 9, Chicago, Illinois, to serve increased TOFC operations.

Installed six-track storage yard, joint with the C&NW and CMStP&P, at Rochelle, Illinois, to improve service to industries at this location.

Installed one-spot car repair facility at East St. Louis, Illinois, to improve efficiency in making freight car repairs.

Installed double-track TOFC ramp and additional trackage at Gibson, Nebraska, to provide efficient handling of increased trailer traffic.

Replaced 24-foot bridge carrying main line and yard traffic over Nebraska Avenue at York, Nebraska, in connection with street improvement project.

Rearranged trackage and constructed new passenger station in conjunction with the Ogden-Cicero Avenue Interchange Project of Illinois Highway Department, at Cicero, Illinois.

Remodeled existing Burlington mail terminal facilities and installed additional conveyors in connection with construction of new U. S. Post Office Terminal Building at Omaha, Nebraska, to provide mail handling facilities compatible with mechanical system at new Post Office.

Constructed overhead highway crossings at Flagler and Albia, Iowa, in connection with a State program to eliminate busy grade crossings.

Major Improvements In Progress

Construction of trackage to serve Old Ben Coal Corporation mine at Benton, Illinois, being opened to provide coal for a new power plant at Machens, Missouri.

Rearrangement of present power plant and facilities at Cicero, Illinois, to permit construction of modern TOFC facilities to efficiently handle increased trailer traffic.

Construction of one-spot car repair center at Galesburg, Illinois, to improve efficiency in making freight car repairs.

Construction of line jointly with the Norfolk & Western Railway Company in connection with U. S. Government's Red Rock Dam and Reservoir Flood Control Project on the Des Moines River near Des Moines, Iowa.

Relocation of trackage and construction of new station in connection with the Carlyle Dam and Reservoir Flood Control Project on the Kaskaskia River near Keyesport, Illinois.

Relocation of trackage in connection with U. S. Government's Yellowtail Dam and Reservoir Flood Control Project near Kane, Wyoming.

Construction of terminal office building at North Kansas City, Missouri, to permit consolidation of various offices in one building.

SIGNALING

Major Items Completed During 1964

Extended centralized traffic control from Aurora interlocking to Bristol, Illinois.

Extended centralized traffic control from Seminary interlocking at Galesburg to Graham, Illinois.

Installed "hot box" detectors at Milepost 194 east of Gladstone, Illinois.

Major Items In Progress

Extension of centralized traffic control from West Eola to the interlocking at Aurora, Illinois.

Relocation of Aurora-Savanna centralized traffic control machine from Aurora to Cicero, Illinois.

Conversion of mechanical interlocking to remote control, Savanna, Ill.

Extension of centralized traffic control from Bristol to Galesburg, Illinois.

Cribber takes ballast from between the ties.

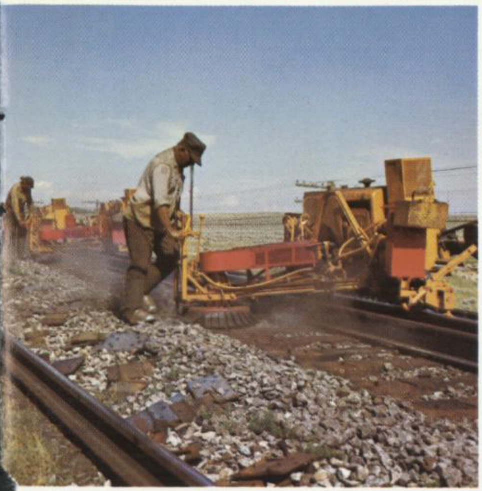
A GOOD YEAR FOR MAINTENANCE OF WAY

Laying New Welded Rail and keeping the Main Line in good shape

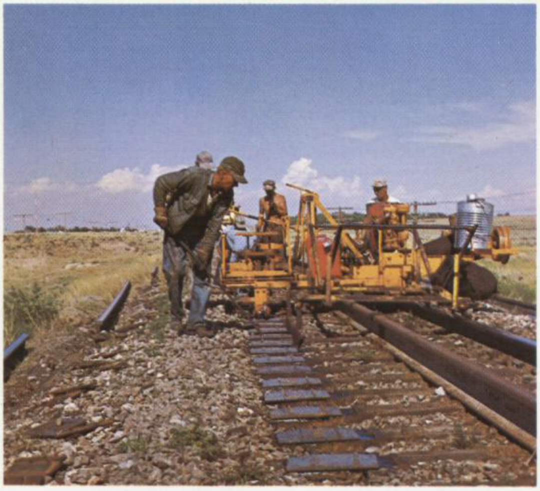
Burro Crane sets in continuous welded rail.

SPIKE MASTER

Spikes are driven automatically.



Adzer with revolving knives smooths off the top of tie so tie plate has a level base for rail.

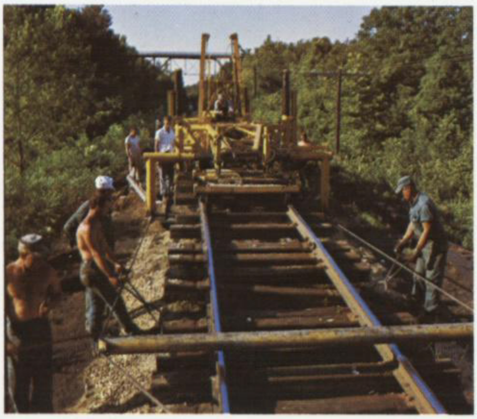


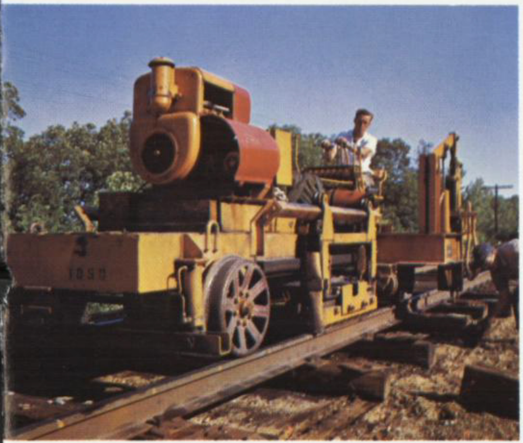
Dun-rite gauger positions tie plates.

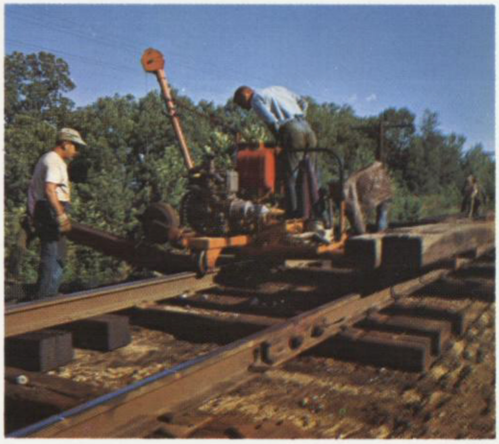
Right: Mannix Auto-Trak cleans and redistributes ballast.

Below Right: Gandy machine pulls new ties into place.

Below Left: Tie spacer moves ties to uniform distances.







COMMUNICATIONS

Installed dispatcher-controlled wayside radio at four locations between Hannibal and St. Louis, Missouri, and at five locations between North LaCrosse, Wisconsin, and St. Paul, Minnesota.

Installed two-way radios on 48 freight and 23 passenger locomotives.

Installed three telephone carrier circuits between Chicago and Aurora, Illinois, to permit consolidated dispatching at Cicero, Illinois.

Installed base radio station and equipped nine switch engines with radios for use in the Daytons Bluff-St. Paul, Minnesota, terminal.

EQUIPMENT PLACED IN SERVICE

Built in Company Shops

700 box cars—50′6″ 70-ton all steel, roller bearing, single sheath, with 14′ door openings.
105 box cars—60′ 100-ton all steel, roller bearing, insulated, with load dividers.
73 box cars—50′7″ 70-ton all steel, roller bearing, "DF."
150 flat cars—53′6″ 70-ton all steel, roller bearing, with 8′6″ bulkheads.
50 gondola cars—65′6″ 70-ton all steel, roller bearing, mill type high side, with removable roofs.
40 gondola cars—65′ 70-ton all steel, roller bearing, mill type high side.
10 gondola cars—65′ 70-ton all steel, roller bearing, mill type high side, with removable roofs.
2 hopper cars—100-ton, quick dump, roller bearing, aluminum, open top (prototype).

Purchased New

18 locomotives—2500 h.p. GP-35 Diesel-electric road units.
6 locomotives—2500 h.p. U25B Diesel-electric road units.
15 box cars—86′6″ 70-ton all steel, roller bearing, automobile parts.
2 box cars—60′ 100-ton all steel, roller bearing, single sheath, automobile parts.
241 hopper cars—46′ 100-ton all steel, roller bearing, covered, 4500 cu. ft. capacity.
200 hopper cars—48′ 100-ton all steel, roller bearing, open top.
25 hopper cars—48′11″ 100-ton all steel, roller bearing, airslide, covered, 4180 cu. ft. capacity.
100 semi-trailers—40′ refrigerator.
36 containers—24′ insulated, with 4 sets of car bolsters and cushion rails.
9 chassis for 24′ insulated containers.
50 way cars—all steel, radio equipped.

The start of a new freight car at Burlington's Havelock shops.

REFRIGERATOR EXPRESS

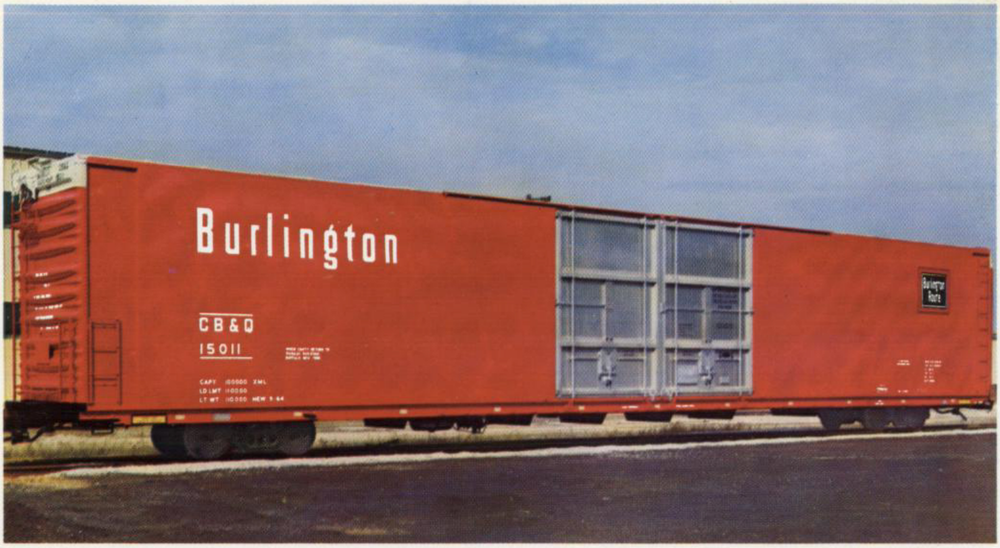
The last act—painting the Burlington number on a new freight car.

A YEAR OF PROGRESS

In Rolling Stock and Power

Burlington built or purchased 1,673 new freight cars in 1964. Many of these general and special purpose cars are shown on the following pages. They are equipped, as needed, with various modern appurtenances—impact cushioning, loading devices, roller bearings and other facilities. Burlington's ownership is 40,632 freight cars of all types.

During the year, Burlington placed in service 24 locomotives and now owns 696 units totaling 1,141,156 horsepower.

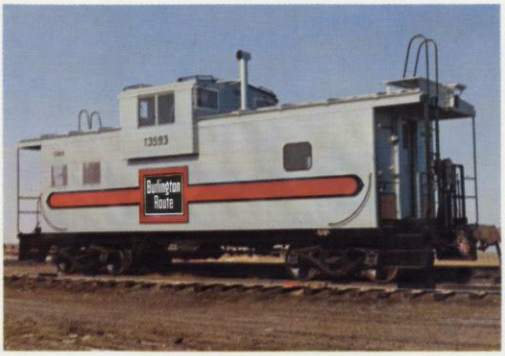

Burlington
CB&Q
15011

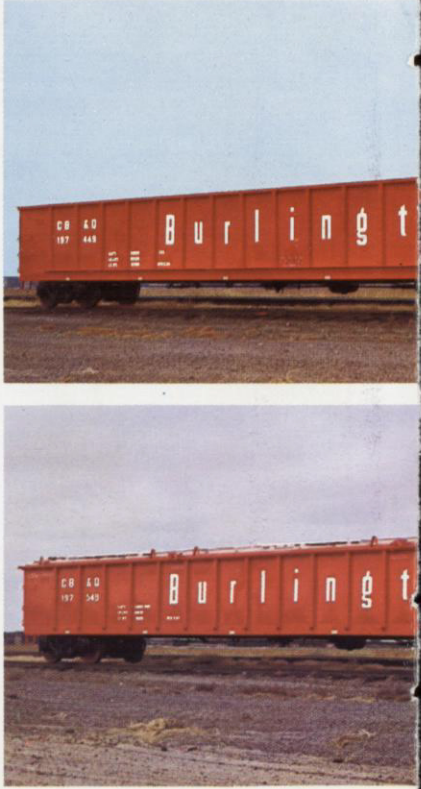
86′ 6″ 70-ton auto parts boxcar.

NEW EQUIPMENT IN 1964

The cars illustrated on these pages have been reproduced to the scale of twenty-four to one.

Modern all steel, radio-equipped way car.


13593
Burlington Route


CB&Q
197449
Burling
CB&Q
197549
Burling

Top. 65′ 70-ton gondola, open top.

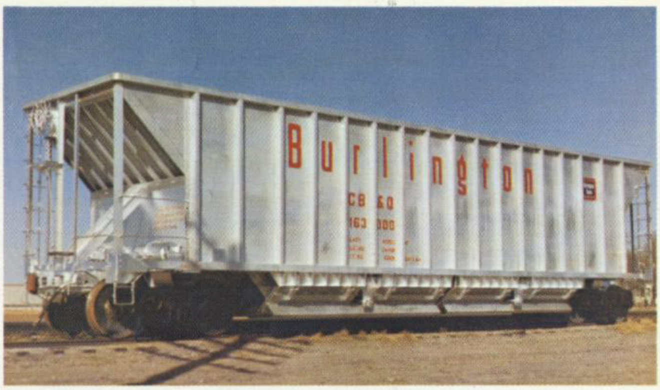
Bottom: 65′ 6″ 70-ton covered gondola.

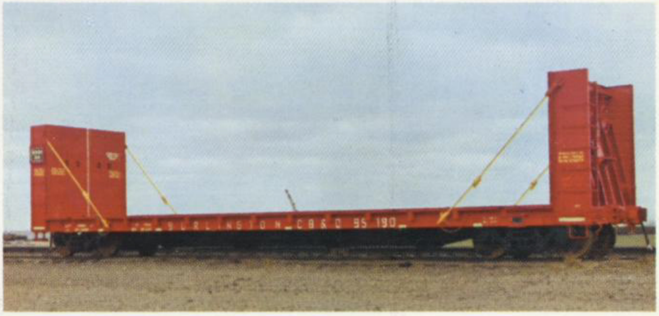
Top to bottom:
Prototype 100-ton
quick dump
aluminum hopper car.

53′ 6″ 70-ton Bulkhead
flat car.

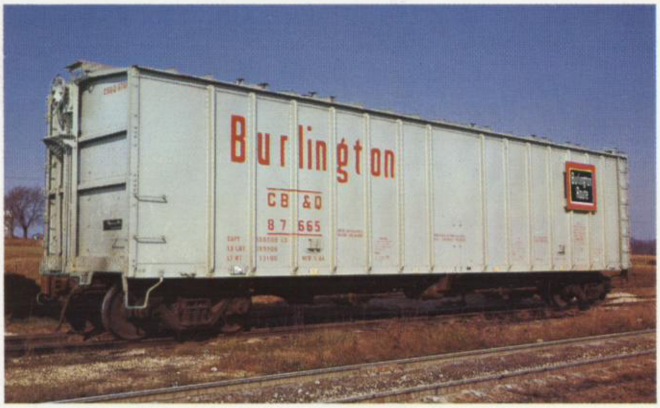
48′ 11″ 100-ton
Airslide
covered hopper car.

50′ 7″ 70-ton DF
boxcar.

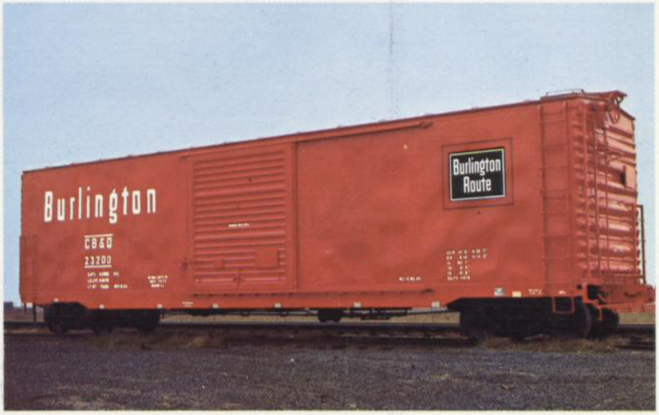

Burlington
CB&Q
163000


BURLINGTON CB&Q 95190

Burlington Route

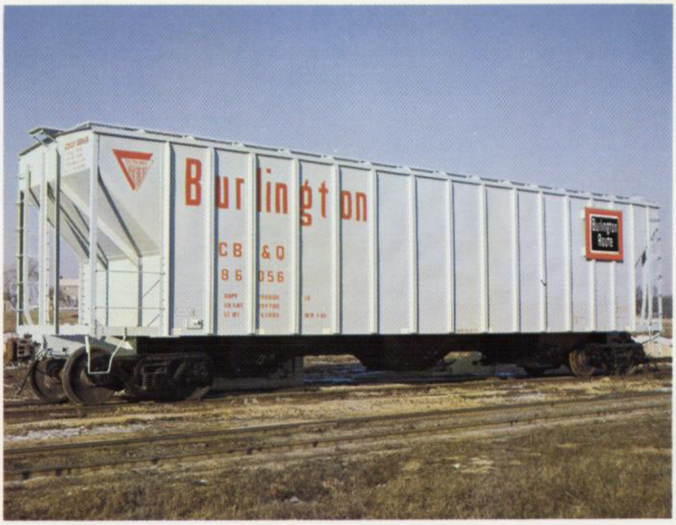

Burlington
CB&Q
87665

Burlington Route

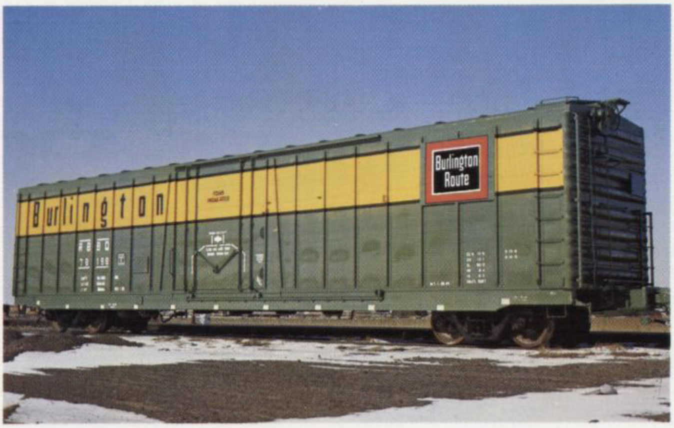

Burlington
CB&Q
23200
Burlington Route

NEW EQUIPMENT IN 1964

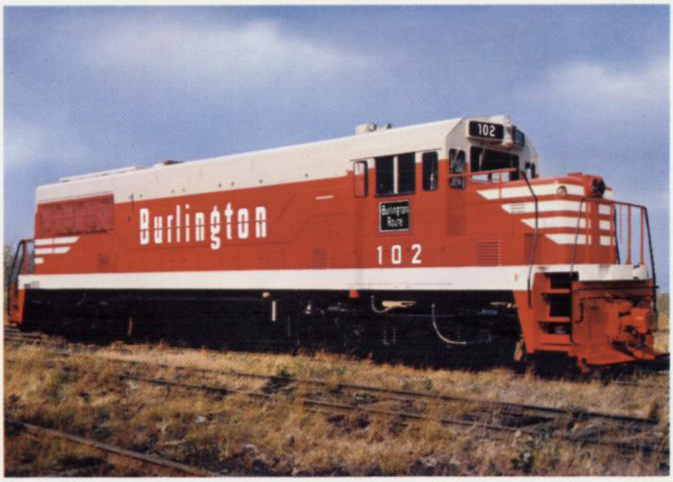
Continued


Burlington
CB&Q
86 356
Burlington Route

46′ 100-ton covered hopper, capacity 4500 cubic feet.


Burlington
Burlington Route
CB&Q

60′ 100-ton insulated boxcar.


102
Burlington
Burlington Route
102

2500 h.p. Diesel electric road unit. 24 purchased in 1964.

EQUIPMENT ACQUISITIONS PLANNED

To Be Built in Company Shops in 1965

400 box cars—50′6″ 70-ton all steel, roller bearing, single sheath, with 14′ door opening.
200 box cars—50′ 70-ton all steel, roller bearing, insulated, with load dividers.
195 box cars—60′ 100-ton all steel, roller bearing, insulated, with load dividers.
100 box cars—50′6″ 100-ton all steel, roller bearing, "DF."
200 flat cars—60′ 70-ton all steel, roller bearing, with tie downs.
200 refrigerator cars—60′ 100-ton all steel, roller bearing, mechanical refrigeration.
140 hopper cars—100-ton, roller bearing, quick dump, aluminum, open top.
100 gondola cars—52′6″ 100-ton all steel, roller bearing, removable roof.

To Be Purchased in 1965

12 locomotives—2500 h.p. U25C Diesel-electric road units.
12 locomotives—1200 h.p. SW-12 Diesel-electric switch units.
100 box cars—60′ 100-ton all steel, roller bearing, single sheath.
35 box cars—60′ 70-ton all steel, roller bearing, "DF."
10 box cars—86′6″ 70-ton all steel, roller bearing, automobile parts.
2 box cars—60′ 100-ton all steel, roller bearing, with load dividers and 16′ door openings.
259 hopper cars—46′ 100-ton all steel, roller bearing, covered, 4500 cu. ft. capacity.
50 hopper cars—29′6″ 70-ton all steel, roller bearing, covered, 2600 cu. ft. capacity.
50 tank cars—all steel, roller bearing, 25,000 gal. capacity.
28 passenger cars—suburban, double deck.
6 passenger cars—suburban, double deck, cab control.

LINE ABANDONMENTS

During the year 1964, none of the company's branch lines was the subject of an application to the Interstate Commerce Commission for abandonment. However, several low density branch lines of the company are under active study, and, if and when operating results justify such action, formal application for abandonment authority will be submitted.

SAFETY AWARDS

Communications Department personnel received a Certificate of Commendation from the National Safety Council for working 820,108 man-hours without a disabling injury, August 30, 1962 to December 31, 1963, and this injury-free performance was extended through 1964.

Electrical Department personnel at West Burlington Shop received an award from the National Safety Council for outstanding safety performance dating back to 1941, working more than three million man-hours without a disabling injury.

LABOR

Agreements were made nationally during 1964 with the Brotherhood of Railway Signalmen providing for a wage increase, effective January 1, 1964, of 6 cents an hour for all employes represented by this organization and for an additional 4 cents an hour for Signalmen, Signal Maintainers, and others of equal or higher rate. The agreements also provide for additional identical increases January 1, 1965 and January 1, 1966.

Agreements were made nationally with seven non-operating organizations providing wage increases of 9 cents per hour effective January 1, 1964, 1965, and 1966, one additional paid holiday, and a fourth week of vacation after twenty years of service, plus additional hospitalization and group life insurance benefits.

Agreements were made during 1964 providing wage increases for Conductors, Trainmen, Engineers, Firemen, and Dining Car Stewards. Agreements also were reached with all operating organizations providing for a fourth week of vacation after twenty years of service and hospital-surgical-medical and group life insurance, for each qualified employe.

Agreements were reached in the operating rules case which provided additional fringe benefits for employes, including paid holidays and expenses away from home, and wage adjustments for hourly-rated yard service employes. The agreements also relieved carriers from providing operating personnel on certain self-propelled machines, and provided a moratorium on increases in mileage rates of pay for road service employes through January 1, 1968.

The U. S. Supreme Court denied the organizations' petition to review lower courts' decisions upholding the constitutionality of the creation of the Arbitration Board in the firemen and crew consist issues. As a result the carriers began discontinuing the use of firemen on May 7, 1964 in road freight and yard service to the extent permitted under Award 282.

In pursuance of the Road and Yard Crew Consist provisions of Arbitration Award 282, an agreement was reached on the CB&Q effective September 15, 1964, which provides for the elimination of one helper on certain yard assignments and one brakeman on certain road assignments, including several road switchers.

An agreement was reached nationally with the Shop Craft organizations in disposition of the demands involving employe protective provisions, sub-contracting of work, and preservation of work for the crafts.

During 1964, the non-operating organizations, Brotherhood of Railroad Trainmen, and Order of Railroad Conductors and Brakemen served demands for a supplemental pension program.

GENERAL

DEBT

During 1964, capital liabilities of the Company increased $8,022,484.

	Increase	Decrease	Net
Funded Debt	$ —	$ 3,924,000	$ 3,924,000 Decrease
Equipment Obligations	25,920,000	13,973,516	11,946,484 Increase
Total	$25,920,000	$17,897,516	$ 8,022,484 Increase

DIVIDENDS

Dividends totaling $7.50 per share were paid in 1964, the ONE HUNDRED AND THIRD CONSECUTIVE YEAR in which the Company has paid a dividend.

RENEWAL OF CHARTER

The charter of the Company was renewed May 19, 1964 for the maximum term of fifty years permitted under Illinois law and will expire June 24, 2014, unless renewed prior to that date.

TAXES

Taxes in 1964 decreased $1,665,921 compared with 1963:

Federal Income Taxes	$ 2,143,273	$1,731,789 Decrease
Federal Railroad Retirement Taxes	7,639,579	466,545 Increase
Federal Unemployment Taxes	3,848,866	57,104 Decrease
State and Miscellaneous Taxes	7,572,858	199,611 Decrease
Income Account (Page 42)	$21,204,576	$1,521,959 Decrease
Federal Income Taxes Charged to Retained Income	—	143,962 Decrease
Total Taxes	$21,204,576	$1,665,921 Decrease

The effects on Federal income tax liability for the year 1964, compared with the year 1963, of adjustments resulting from the investment credit, use of guideline lives with accelerated methods of depreciation, and from less depreciation in current year on property which was amortized for tax purposes over a 60-month period in prior years were as follows:

	(Decrease) or Increase in Tax Liability 1964	(Decrease) or Increase in Tax Liability 1963
Investment Credit	($ 756,626)	($1,498,008)
Accelerated Depreciation	(9,937,122)	(8,771,263)
Amortization	1,798,547	1,839,596
Net *reduction* in current income taxes (producing *increase* in net income)	($8,895,201)	($8,429,675)
Effect per Share of Stock	$ 5.21	$ 4.93

As of December 31, 1964, the cumulative net reductions in Federal income taxes and increases in net income, due to deductions for depreciation and amortization allowed for tax purposes in excess of such amounts accrued in the accounts, were approximately $67,000,000.

The Company continued to be successful in its efforts to obtain refunds of discriminatory Illinois State property taxes and recovered $2,503,213 during 1964. Total refund settlements to December 31, 1964, aggregated $7,342,000.

EMPLOYE BENEFITS

During 1964, $12,312,317 was paid to or for the benefit of employes and their families.

The Railroad paid Federal taxes amounting to $7,639,579 for retirement and survivor benefits under the Railroad Retirement Act, and employes paid a like amount. Similar taxes in 1963 were $7,173,034, an increase in 1964 of $466,545 or 6.50 per cent, largely as a result of the increase in the tax base under the Railroad Retirement Act from $400 to $450 a month, effective November 1, 1963.

The Railroad paid Federal taxes amounting to $3,848,866 for employes' unemployment, sickness, and maternity benefits under the Railroad Unemployment Insurance Act. These taxes in 1963 amounted to $3,905,970, a decrease in 1964 of $57,104 or 1.46 per cent.

The Burlington Relief Department paid to employes and their beneficiaries $823,872 for disability and death claims, compared with similar payments of $767,261 in 1963, an increase of $56,611 or 7.38 per cent.

MERGER

The proposal for merger of Burlington with Great Northern and Northern Pacific, which was submitted to the Interstate Commerce Commission February 17, 1961, and the progress since that date, were reported in the Annual Reports for 1960-1963. The proposed report of Examiner Robert H. Murphy, who presided at all of the public hearings in the case, was released by the Commission August 24, 1964. This report found the proposed merger to be consistent with the public interest and recommended that the Commission authorize it, subject, however, to important conditions for the strengthening of the competitive position of the Milwaukee Road and the North Western Railway, and for protection of employes affected by the unification.

Exceptions to Examiner Murphy's proposed report were filed January 15, 1965 by applicants and by many of the intervenors. It was the position of Burlington and the other applicants that the proposed conditions went beyond any real need in order to maintain vigorous rail competition in the area served by the applicants. Replies to the exceptions were filed March 15, 1965. It is expected that the next step in the proceeding will be for the entire Commission to set the matter down for oral arguments by applicants and any intervenor desiring to present its position. The decision of the Interstate Commerce Commission is expected to follow the oral arguments, but probably cannot be expected before late in 1965.

On September 10, 1964, the Union Pacific Railroad Company filed application with the Interstate Commerce Commission for authority to acquire the properties of Chicago, Rock Island and Pacific Railroad Company by merger, and at a special Rock Island stockholders' meeting, held January 7, 1965, necessary stockholder authorization was obtained. Several midwestern railroads have intervened in opposition and it is expected that the matter will be set for hearing later in 1965. Burlington is studying the effects of this proposed merger on its operations, but has taken no position in the matter.

On November 24, 1964, the Chicago and North Western Railway filed application for authority to acquire the properties of Chicago Great Western Railway Company by merger. Burlington is also giving study to the effects this merger might have on its operations.

BURLINGTON TRUCK LINES, INC.

Burlington Truck Lines, Inc., a wholly-owned subsidiary, operates more than 10,000 highway route miles in eight states. It provides less-truckload and truckload common carrier freight service over these routes and handles rail-billed less-than-carload traffic in substitute highway service for the CB&Q. The subsidiary also performs, for the parent company, local pick-up and delivery as well as ramping service for rail-billed truckloads moving on flat cars.

Fifty new pick-up and delivery tractors were put in service in 1964. Improved alternate route highway authorities were received from regulatory agencies.

Total operating revenues for 1964 were $16,311,838 compared with $16,598,762 in 1963. Net income showed a deficit of $369,825 for 1964 compared with a deficit of $692,629 in 1963.

Average freight revenue per ton increased $1.39 from $25.04 to $26.43 and freight revenue per ton-mile increased from $.0775 to $.0801.

Operating ratio improved from 104.59 in 1963 to 103.17 in 1964.

Mr. W. K. Bush was elected Chairman of the Board and Mr. Yale James was elected President in June, 1964.

Eastbound freight with trailers on flat cars crosses bridge over Missouri River at Plattsmouth, Nebraska.

CHANGES IN ORGANIZATION

The Company records with deep regret the loss by death of–

Mr. J. J. Alms, *Vice President, Executive Department,*
April 25, 1964.

The following system officers retired under the pension rules:

Mr. V. A. Leengran, *General Freight Claim Agent,*
September 30, 1964, after more than 50 years of service.

Mr. H. F. Kimball, *Assistant Chief Engineer,*
September 30, 1964, after more than 47 years of service.

Elections during the year:

Mr. J. J. Alms, *Vice President, Executive Department,*
April 8, 1964.

Mr. W. K. Bush, *Vice President, Executive Department,*
August 5, 1964.

Mr. W. N. Ernzen, *Vice President and Comptroller,*
August 5, 1964.

Mr. L. N. Assell, *Secretary and Treasurer,*
August 5, 1964.

Mr. R. W. Smith, *Assistant Secretary and Assistant Treasurer,*
October 7, 1964.

Appointments during the year:

Mr. S. L. Griffith, *Auditor of Revenues,*
January 1, 1964.

Mr. J. H. Robinson, *Engineer of Capital Expenditures,*
January 16, 1964.

Mr. L. W. Seehausen, *General Freight Claim Agent,*
October 1, 1964.

Mr. F. C. Reisse, *Eastern Traffic Manager,*
December 16, 1964.

The Company acknowledges, with sincere appreciation, the loyalty and efficient services of officers and employes.

By order of the Board of Directors.

H. C. MURPHY, President

Burlington
Route

BALANCE SHEET

December 31, 1964 & 1963

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

Assets

CURRENT ASSETS:	1964	1963
Cash	$ 13,091,042	$ 12,746,137
Temporary cash investments	37,765,166	41,240,508
Special deposits	210,755	147,424
Loans and notes receivable	7,836	16,523
Net balance receivable from agents and conductors	6,815,244	6,389,553
Miscellaneous accounts receivable	10,152,515	9,746,225
Interest and dividends receivable	879,645	544,819
Accrued accounts receivable	14,182,187	12,804,532
Working fund advances	129,658	128,237
Prepayments	84,870	98,270
Material and supplies	18,664,626	16,632,059
Other current assets	597,089	1,137,422
Total current assets	102,580,633	101,631,709
SPECIAL FUNDS:		
Sinking funds	1,732	1,732
Capital and other reserve funds	10,649,489	4,636,729
Insurance and other funds	2,036,376	1,619,134
Total special funds	12,687,597	6,257,595
INVESTMENTS:		
Investments in affiliated companies (Page 44)	43,860,770	41,135,244
Other investments	215,128	212,417
Total investments	44,075,898	41,347,661
PROPERTIES:		
Road and equipment property	993,185,183	972,650,537
Accrued depreciation and amortization	*297,848,170*	*285,411,349*
Total transportation property less recorded depreciation and amortization	695,337,013	687,239,188
Miscellaneous physical property	11,955,078	11,439,443
Total properties less recorded depreciation and amortization	707,292,091	698,678,631
OTHER ASSETS AND DEFERRED CHARGES:		
Other assets	940,059	917,777
Unamortized discount on long-term debt	1,056,135	773,325
Other deferred charges	4,753,785	4,656,936
Total other assets and deferred charges	6,749,979	6,348,038
GRAND TOTAL	$873,386,198	$854,263,634

Liabilities & Shareholders' Equity

	1964	1963
CURRENT LIABILITIES:		
Traffic and car-service balances—Cr.	$ 1,460,683	$ 1,004,841
Audited accounts and wages payable	8,629,870	8,128,972
Miscellaneous accounts payable	3,011,597	3,435,512
Interest matured unpaid	333,529	373,820
Unmatured interest accrued	2,530,486	2,458,604
Accrued accounts payable	19,809,852	14,570,043
Federal income taxes accrued	1,028,360	2,949,014
Other taxes accrued	8,202,339	8,297,806
Other current liabilities	6,832,615	7,305,188
Total current liabilities (exclusive of long-term debt due within one year)	51,839,331	48,523,800
LONG-TERM DEBT DUE WITHIN ONE YEAR:		
Funded debt (Page 46)	—	311,000
Equipment obligations (Page 46)	13,836,652	13,217,941
Total long-term debt due within one year	13,836,652	13,528,941
LONG-TERM DEBT:		
Funded debt unmatured (Page 46)	116,440,000	120,053,000
Equipment obligations (Page 46)	98,284,128	86,956,358
Amounts payable to affiliated companies	88,552	189,787
Total long-term debt	214,812,680	207,199,145
RESERVES:		
Insurance reserves	3,240,750	2,845,470
Casualty and other reserves	815,289	808,393
Total reserves	4,056,039	3,653,863
OTHER LIABILITIES AND DEFERRED CREDITS:		
Other liabilities	1,037,909	971,623
Unamortized premium on long-term debt	108	131
Other deferred credits	284,028	425,142
Accrued depreciation—Leased property	180,664	164,641
Total other liabilities and deferred credits	1,502,709	1,561,537
SHAREHOLDERS' EQUITY:		
Capital stock issued		
Common stock—Par value $100 per share	170,839,100	170,839,100
Retained income		
Retained income—Appropriated (Page 43)	48,025,460	48,025,460
Retained income—Unappropriated (Page 43)	368,474,227	360,931,788
Total retained income	416,499,687	408,957,248
Total shareholders' equity	587,338,787	579,796,348
GRAND TOTAL	$873,386,198	$854,263,634

Contingent Liabilities: See notes Page 43.

Comparative Statement of Income

Years Ended December 31

(Also see Pages 50 and 51)

% of Ry. Oper. Rev.	1964		1963	% of Ry. Oper. Rev.
		Railway Operating Revenues		
81.92	$219,037,355	Freight	$213,322,099	81.51
7.78	20,796,592	Passenger	20,677,819	7.90
5.09	13,604,258	Mail	13,529,225	5.17
1.37	3,660,114	Express	3,316,639	1.27
3.84	10,281,210	Other	10,867,902	4.15
100.00	267,379,529	Total railway operating revenues	261,713,684	100.00
		Railway Operating Expenses		
	37,088,153	Maintenance of way and structures	36,401,611	
	49,935,212	Maintenance of equipment	47,713,161	
	8.245,247	Traffic	7,977,972	
	108,101,226	Transportation	104,042,677	
	3,054,919	Miscellaneous operations	3,094,416	
	10,833.862	General	9,325,289	
#81.25	217,258,619	Total railway operating expenses	208,555,126	#79.69
18.75	50,120,910	Net revenue from railway operations	53,158,558	20.31
	2,143,273	Federal income taxes	3,875,062	
	11,488.445	Federal payroll taxes	11,079,004	
	7,572.858	All other taxes	7,772,469	
	21,204,576	Total taxes (Page 36)	22,726,535	
	28,916,334	Railway operating income	30,432,023	
	Dr.4,916,116	Net rents	Dr. 5,351,400	
	24,000,218	Net railway operating income	25,080,623	
		Other Income		
	1,441,087	Rentals	1,357,356	
	2,285,266	Dividends and interest	2,070,809	
	1,193,006	Miscellaneous	950,705	
	4,919,359	Total other income	4,378,870	
	28,919,577	Total income	29,459,493	
		Deductions from Total Income		
	30,377	Rents payable	29,922	
	236,915	Taxes on nonoperating property	190,362	
	417,937	Miscellaneous income charges	225,016	
	685,229	Total deductions	445,300	
	28,234,348	Income available for fixed charges	29,014,193	
		Fixed Charges		
	65,389	Rent for leased roads and equipment	66,064	
	7,688,798	Interest on funded debt	7,492,327	
	513	Interest on unfunded debt	809	
	125,332	Amortization discount on funded debt	87,345	
	7,879,006	Total fixed charges	7,646,545	
	$20,355,342	**Net Income**—on I.C.C. Basis	$21,367,648	
		Supplemental Data:		
	$11.91	**Per share of stock** [Net Income per share in 1964 has been increased $4.76 ($4.06 in 1963) because of accelerated depreciation and amortization as explained on page 36]	$12.51	

#See Page 58

Comparative Statement of Retained Income

Years Ended December 31

	1964	1963	Increase *Decrease*
APPROPRIATED:			
Amount expended in retiring Funded Debt prior to Year 1928	$ 48,025,460	$ 48,025,460	—
UNAPPROPRIATED:			
CREDITS:			
Credit balance at beginning of year	$360,931,788	$351,439,148	$9,492,640
Credit balance transferred from income	20,355,342	21,367,648	*1,012,306*
Miscellaneous credits	—	1,081,856	*1,081,856*
Total	$381,287,130	$373,888,652	$7,398,478
DEBITS:			
Dividends	$ 12,812,902	$ 12,812,902	—
Miscellaneous debits	1	143,962	*$ 143,961*
Credit balance carried to balance sheet	368,474,227	360,931,788	7,542,439
Total	$381,287,130	$373,888,652	$7,398,478

Notes to Financial Statements

Contingent Liabilities:

As of December 31, 1964, Burlington, together with the other proprietors in each case, had guaranteed certain obligations of the following affiliates:

Name of Company	Number of Owners	Obligations Outstanding	Burlington's Per Cent of Ownership	Burlington's Ownership Proportion
The Belt Railway Company of Chicago	12	$ 35,760,000	8⅓	$ 2,980,000
Chicago Union Station Co.	4	47,000,000	25.00	11,750,000
Illinois Terminal Railroad Co.	11	8,508,629	9-1/11	773,512
Kansas City Terminal Railway Co.	12	35,474,000	8⅓	2,956,167
Packers Car Line Co.	10	1,947,455	19.18	373,522
St. Paul Union Depot Co.	8	9,697,000	12.50	1,212,125
Terminal Railroad Association of St. Louis	15	39,861,575	6.25	2,491,348
Trailer Train Co.	40	96,983,302	2.44	2,366,393
		$275,231,961		$24,903,067

Each of these companies owns property which would be available to creditors in the event of default. If co-guarantors should be called upon for payment and meet their obligations, Burlington's contingent liability would be limited to the amount shown in right-hand column above.

The Company carries a Service Interruption Policy under which it will be entitled to indemnity for certain work stoppage losses. In the event such losses are sustained by other railroads holding similar policies, the Company may be obliged to pay additional premiums subject to a maximum premium of $3,772,460.

Investments in Affiliated Companies

December 31, 1964

Name of Company	Percent of Owner-ship	Investment	
		Stocks	Bonds Notes and Advances
Wholly owned companies:			
Burlington Equipment Company	100	$ 5,000	$ 500,000
Burlington Refrigerator Express Company	100	100,000	—
Burlington Truck Lines, Inc.	100	750,000	405,267
St. Louis and Kansas City Land Company	100	100,000	3,904,802
Jointly owned companies:			
Atchison Union Depot and Railroad Company	37.50	27,000	7,972
Belt Railway Company of Chicago, The	8-1/3	240,000	269,412
Chicago Union Station Company	25	—	4,916,232
Colorado and Southern Railway Co., The	74.72	22,172,276	439,865
Davenport, Rock Island and North Western Railway Company	50	1,748,182	1,322,283
Denver Market & Produce Terminal, Inc.	20	50,000	231,783
Denver Union Terminal Railway Company, The	16-2/3	5,000	792,619
Illinois Northern Railway	25	250,940	—
Illinois Terminal Railroad Company	9-1/11	1,818	—
Iowa Transfer Railway Company	20	16,100	—
Kansas City Terminal Railway Company	8-1/3	100,000	940,489
Keokuk Union Depot Company	40	8,024	3,972
Minnesota Transfer Railway Company	11-1/9	91,300	288,528
Missouri and Illinois Bridge and Belt Railroad Company	81.82	312,004	405,000
Packers Car Line Company	19.18	6,140	—
Paducah & Illinois Railroad Company	33-1/3	3,333	1,691,294
Pullman Company	2.42	534,048	—
Railway Express Agency, Inc.	2.80	2,700	780,719
Saint Paul Union Depot Company, The	12.50	130,475	222,261
Terminal Railroad Association of St. Louis	6.25	—	—
Trailer Train Company	2.44	50,000	33,632
Winona Bridge Railway Company	66-2/3	300	—
		$26,704,640	$17,156,130

Net Investment In Road and Equipment
Year 1964

Account		Additions and Betterments
Engineering		$ 1,719
Land for transportation purposes	Cr.	389,503
Other right-of-way expenditures	Cr.	1,112
Grading		45,254
Tunnels and subways	Cr.	127
Bridges, trestles and culverts		187,022
Ties	Cr.	52,049
Rails		215,585
Other track material		235,577
Ballast		36,211
Track laying and surfacing		32,220
Fences, snowsheds and signs	Cr.	1,382
Station and office buildings		85,626
Roadway buildings	Cr.	31,181
Water stations	Cr.	13,153
Fuel stations		17,279
Shops and enginehouses		1,679,593
Communication systems		98,279
Signals and interlockers		180,489
Power plants		1,525
Power-transmission systems	Cr.	2,891
Miscellaneous structures		5,179
Roadway machines		163,853
Roadway small tools	Cr.	1,052
Public improvements—Construction		586,794
Shop machinery		332,115
Power-plant machinery		8,208
Total expenditures for road		$ 3,420,078
Steam locomotives	Cr.	58,739
Other locomotives		2,432,682
Freight-train cars		16,065,880
Passenger-train cars	Cr.	381,835
Work equipment	Cr.	39,508
Miscellaneous equipment		521,013
Total expenditures for equipment		$18,539,493
Construction work in progress	Cr.	1,424,925
GRAND TOTAL		$20,534,646

"Cr."—Credits due to retirements.

Long-Term Debt December 31, 1964

Name and Character of Obligation	Interest Rate %	Maturity Date	Outstanding with Public	Held in Treasury Unpledged
FIRST AND REFUNDING MORTGAGE BONDS				
Series of 1970	4.5	1970	$ —	$10,140,000
Series of 1970	2.875	1970	(a) 43,454,000	1,219,000
Series of 1978	4.375	1978	(b) 20,443,000	520,000
Series of 1985	3.125	1985	(c) 31,967,000	2,942,000
Series of 1990	3	1990	(d) 20,576,000	447,000
Series of 1998	4	1998	—	$19,729,000
Total Bonds			$116,440,000	$34,997,000
EQUIPMENT OBLIGATIONS				
Equipment Trust Certificates		Serially to		
1950	2.125	1965	$ 340,000	$
1953 No. 1	3.25	1968	1,645,000	
1953 No. 2	2.875	1968	1,440,000	
1954 No. 1	2.625	1969	2,440,000	10,000
1954 No. 2	2.625	1969	1,600,000	
1955 No. 1	2.875	1970	3,480,000	
1955 No. 2	3.125	1970	1,740,000	
1956 No. 1	3.125	1971	3,380,000	
1956 No. 2	3.875	1971	1,680,000	
1957	3.75	1972	3,750,000	
1958 No. 1	3.5	1973	2,550,000	
1958 No. 2	3.5	1973	2,720,000	
1958 No. 3	3.375	1973	3,690,000	
1959 No. 1	4.375	1974	2,660,000	
1959 No. 2	4.625	1974	4,700,000	
1959 No. 3	5	1974	2,100,000	
1960	4.625	1975	1,870,000	
1961 No. 1	4.25	1976	6,555,000	
1961 No. 2	4.125	1976	3,680,000	
1961 No. 3	4.125	1976	1,920,000	
1962 No. 1	4.375	1977	5,375,000	
1962 No. 2	4	1977	2,625,000	
1963 No. 1	4	1978	5,670,000	
1963 No. 2	3.875	1978	4,860,000	
1963 No. 3	4	1978	4,900,000	
1963 No. 4	4.125	1978	4,760,000	
1964 No. 1	4.125	1979	6,960,000	
1964 No. 2	4.125	1979	5,800,000	
1964 No. 3	4.25	1979	6,900,000	
1964 No. 4	4.125	1979	4,800,000	
Conditional Payment Contracts				
The Northern Trust Co.	4.25	1965	646,874	
The Northern Trust Co.	4.5	1967	652,521	
The Northern Trust Co.	4.5	1969	840,820	
First National Bank	5	1965	89,549	
Morgan Guaranty Trust Co.,	3.375	1967	3,174,788	
Continental Illinois National Bank & Trust Co.,	4	1967	126,228	
Total Equipment Obligations			$112,120,780	$ 10,000
TOTAL LONG-TERM DEBT			$228,560,780	$35,007,000

(a) Annual sinking fund $248,825. (b) Annual sinking fund $500,000.
(c) Annual sinking fund $325,000 together with an amount equal to 10% of dividends paid by the Company on its capital stock in the preceding calendar year. (d) Annual sinking fund $250,000.

Changes in Capital Liabilities in 1964

	Increase	Decrease
Bonds:		
First and Refunding 2⅞% Series of 1970		$ 1,170,000
First and Refunding 3⅛% Series of 1985		1,445,000
First and Refunding 3% Series of 1990		680,000
First and Refunding 4⅜% Series of 1978		629,000
Principal of Equipment Obligations:		
Equipment Trust of 1949—No. 1		107,000
Equipment Trust of 1950		680,000
Equipment Trust of 1953—No. 1		470,000
Equipment Trust of 1953—No. 2		360,000
Equipment Trust of 1954—No. 1		490,000
Equipment Trust of 1954—No. 2		320,000
Equipment Trust of 1955—No. 1		580,000
Equipment Trust of 1955—No. 2		290,000
Equipment Trust of 1956—No. 1		520,000
Equipment Trust of 1956—No. 2		240,000
Equipment Trust of 1957—No. 1		500,000
Equipment Trust of 1958—No. 1		300,000
Equipment Trust of 1958—No. 2		320,000
Equipment Trust of 1958—No. 3		410,000
Equipment Trust of 1959—No. 1		280,000
Equipment Trust of 1959—No. 2		470,000
Equipment Trust of 1959—No. 3		210,000
Equipment Trust of 1960—No. 1		170,000
Equipment Trust of 1961—No. 1		570,000
Equipment Trust of 1961—No. 2		320,000
Equipment Trust of 1961—No. 3		160,000
Equipment Trust of 1962—No. 1		430,000
Equipment Trust of 1962—No. 2		210,000
Equipment Trust of 1963—No. 1		420,000
Equipment Trust of 1963—No. 2		360,000
Equipment Trust of 1963—No. 3		350,000
Equipment Trust of 1963—No. 4		340,000
Equipment Trust of 1964—No. 1		240,000
Equipment Trust of 1964—No. 2		200,000
Equipment Conditional Sale Contracts		3,656,516
Equipment Trust of 1964—No. 1	$ 7,200,000	
Equipment Trust of 1964—No. 2	6,000,000	
Equipment Trust of 1964—No. 3	6,900,000	
Equipment Trust of 1964—No. 4	4,800,000	
Equipment Conditional Sale Contract	1,020,000	
	$25,920,000	$17,897,516
Net Increase	$ 8,022,484	

First and Refunding Mortgage

The First and Refunding Mortgage is a first lien on 7825.09 miles of main and branch line railroad now owned by the Company, including terminals and appurtenant property, situated in the States of Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, Kansas, Colorado, South Dakota, Wyoming and Montana; is a first lien on all locomotives, cars and other rolling stock and equipment owned by the Company and not subject to any equipment trust or conditional sale agreement securing the purchase price thereof; and also is a first lien on 358,563 shares of capital stock of The Colorado and Southern Railway Company, which are pledged under this Mortgage.

Additional First and Refunding Mortgage Bonds may be issued, subject to the provisions and limitations of the Mortgage and the Supplemental Indentures thereto.

Provisions for the redemption of each series of First and Refunding Mortgage Bonds, and the sinking funds are summarized as follows:

Series of 1970 2⅞% Bonds may be redeemed as a whole, or in part, on any interest date at 101⅞ August 1, 1961 to July 31, 1965; 101 August 1, 1965 to July 31, 1969, after which date they are callable at par; in each instance with accrued interest.

An annual sinking fund of $248,825 for redemption of Series of 1970 2⅞% Bonds is payable to the Trustee on or before May 1 each year. For such redemption, prices are 100⅞ August 1, 1961 to July 31, 1965, 100½ August 1, 1965 to July 31, 1969, and thereafter at par; in each instance with accrued interest.

Series of 1978 4⅜% Bonds may be redeemed as a whole, or in part, on any interest date at 104.70 February 1, 1964 to January 31, 1965; 104.40 February 1, 1965 to January 31, 1966; thereafter the premium reduces periodically to January 31, 1976; after which date they are callable at par; in each instance with accrued interest.

An annual sinking fund of $500,000 for redemption of Series of 1978 4⅜% Bonds is payable to the Trustee on or before November 1 each year. For such redemption, prices are 102.35 February 1, 1964 to January 31, 1965; 102.20 February 1, 1965 to January 31, 1966; reduced periodically to January 31, 1976, and thereafter at par; in each instance with accrued interest.

Series of 1985 3⅛% Bonds may be redeemed as a whole, or in part, on any interest date at 103⅜ August 1, 1961 to July 31, 1965; 102¾ August 1, 1965 to July 31, 1969; thereafter the premium reduces periodically to August 1, 1982, after which date they are callable at par; in each instance with accrued interest.

An annual sinking fund of $325,000, together with an amount equal to 10% of dividends paid by the Company on its capital stock in the preceding calendar year, is payable to the Trustee on or before May 1 in each year for redemption of the Series of 1985 Bonds. Redemption prices are 101½ August 1, 1961 to July 31, 1965; 101¼ August 1, 1965 to July 31, 1969; reduced periodically to August 1, 1982, and thereafter at par; in each instance with accrued interest.

Series of 1990 3% Bonds may be redeemed as a whole, or in part, on any interest date at 102¾ February 1, 1962 to January 31, 1966; 102⅜ February 1, 1966 to January 31, 1970; thereafter the premium reduces periodically to January 31, 1989, after which date they are callable at par; in each instance with accrued interest.

An annual sinking fund of $250,000 for redemption of Series of 1990 3% Bonds is payable to the Trustee on or before November 1 each year. For such redemption, prices are 100¾ February 1, 1962 to January 31, 1966; 100⅝ February 1, 1966 to January 31, 1970; reduced periodically to January 31, 1989, and thereafter at par; in each instance with accrued interest.

Mileage

	Miles of Road	Second Track	Third Track	Fourth Track	Yard Track and Sidings*	Total
Owned						
Colorado	392.57	.52			175.43	568.52
Illinois	1,504.06	295.75	40.95	4.75	998.57	2,844.08
Iowa	880.77	248.94			270.69	1,400.40
Kansas	199.87				22.36	222.23
Minnesota	23.09	2.71			38.69	64.49
Missouri	1,091.39	12.74			431.48	1,535.61
Montana	134.50				46.02	180.52
Nebraska	2,636.37	29.32			767.92	3,433.61
South Dakota	183.52				28.16	211.68
Wisconsin	220.25	214.17			50.30	484.72
Wyoming	677.59				199.05	876.64
Total*	7,943.98	804.15	40.95	4.75	3,028.67	11,822.50
Operated under lease or contract	601.56	130.75	.76	.76	453.81	1,187.64
Grand Total*	8,545.54	934.90	41.71	5.51	3,482.48	13,010 14

*Includes yard tracks and sidings owned but not operated as follows:
Illinois .64 mile, Iowa .71 mile, Nebraska .30 mile, total 1.65 miles.

Owned Equipment in Service

Description	Number on Dec. 31, 1963	Number Added During Year	Number Retired During Year	Number on Dec. 31, 1964
Locomotives:				
Steam	6	—	1	5
Diesel Road	514	24	18	520
Diesel Switch	172	—	1	171
Total Locomotives	692	24	20	696
Freight-train cars:				
Box	21,264	794	625	21,433
Flat	2,108	25	85	2,048
Stock	2,462	—	408	2,054
Refrigerator	—	30	—	30
Gondola and Hopper	14,241	568	725	14,084
Rack	327	206	2	531
Caboose	430	50	28	452
All classes of freight-train cars	40,832	1,673	1,873	40,632
Passenger-train cars:				
Coaches	294	5	10	289
Combination coach	20	—	4	16
Parlor	10	—	—	10
Sleeping	—	—	—	—
Dining	43	—	—	43
Club, lounge and observation	7	—	—	7
Postal	24	—	—	24
Baggage, express and other non-pass.	487	1	4	484
Other passenger cars	20	2	17	5
Total	905	8	35	878
Passenger rail motor cars:				
Other passenger-train rail motor	6	—	—	6
Total	6	—	—	6
All classes of passenger-train cars	911	8	35	884
Company service cars:				
Business	9	—	—	9
Ballast	1,283	—	1	1,282
Derrick	4	16	—	20
Wrecking	17	68	—	85
Other company service	2,472	38	152	2,358
All classes of company service cars	3,785	122	153	3,754
All classes of cars in service	45,528	1,803	2,061	45,270

Owned Equipment Leased

	Number Under Lease on Dec. 31, 1963	Number Leased During Year	Number Withdrawn from Lease During Year	Number Under Lease on Dec. 31, 1964
Freight-refrigerator cars*	2,839	75	14	2,900
Passenger-refrigerator cars ◐	2	—	—	2
Freight-flat cars @	36	7	26	17
Freight-gondola cars†	75	—	—	75
Zephyr train cars†	2	—	—	2
Business car†	1	—	—	1
Sleeping cars#	62	—	2	60

*2825 Leased to Burlington Refrigerator Express Co.
*75 Leased to Colorado and Southern Railway Co.
◐Leased to Burlington Refrigerator Express Co.
@Leased to Northern Pacific Railway.

†Leased to Fort Worth and Denver Railway Co.
#Leased to Pullman Company.

Comparative Income Account For Years Ended December 31

	1964	1963	Increase or *Decrease*
RAILWAY OPERATING REVENUES— TRANSPORTATION:			
Freight	$219,037,355	$213,322,099	$ 5,715,256
Passenger	20,796,592	20,677,819	118,773
Baggage	79,793	75,604	4,189
Parlor and chair car	79,647	82,497	*2,850*
Mail	13,604,258	13,529,225	75,033
Express	3,660,114	3,316,639	343,475
Other passenger-train	261,385	241,922	19,463
Milk	69,142	76,267	*7,125*
Switching	4,234,829	4,346,759	*111,930*
Total	$261,823,115	$255,668,831	$ 6,154,284
INCIDENTAL:			
Dining and buffet	$ 2,075,615	$ 2,083,036	$ *7,421*
Station and train privileges	59,337	44,731	14,606
Storage—Freight	7,742	9,233	*1,491*
Demurrage	1,060,546	888,660	171,886
Communication	29,108	41,099	*11,991*
Power	8,143	8,115	28
Rents of buildings and other property	446,320	466,935	*20,615*
Miscellaneous	899,085	965,661	*66,576*
Total	$ 4,585,896	$ 4,507,470	$ 78,426
Joint facility—Cr.	$ 986,894	$ 1,550,954	$ *564,060*
Joint facility—Dr.	16,376	13,571	*2,805*
Total	$ 970,518	$ 1,537,383	$ *566,865*
TOTAL RAILWAY OPERATING REVENUES	$267,379,529	$261,713,684	$ 5,665,845
RAILWAY OPERATING EXPENSES—			
Maintenance of way and structures	$ 31,568,065	$ 31,250,448	$ 317,617
Maintenance of equipment	34,410,623	32,804,862	1,605,761
Traffic	8,245,247	7,977,972	267,275
Transportation	108,101,226	104,042,677	4,058,549
Miscellaneous operations	3,054,919	3,094,416	*39,497*
General	10,833,862	9,325,289	1,508,573
Railway operating expenses, excluding depreciation and retirements	$196,213,942	$188,495,664	$ 7,718,278
Depreciation and Retirements—			
Road Property	5,520,088	5,151,163	368,925
Equipment	15,524,589	14,908,299	616,290
TOTAL RAILWAY OPERATING EXPENSES	$217,258,619	$208,555,126	$ 8,703,493
Operating Ratio (See Table page 58)	81.25	79.69	1.56
NET REVENUE FROM RAILWAY OPERATIONS	$ 50,120,910	$ 53,158,558	$ *3,037,648*
Railway tax accruals	$ 21,204,576	$ 22,726,535	$ *1,521,959*
RAILWAY OPERATING INCOME	$ 28,916,334	$ 30,432,023	$ *1,515,689*

Comparative Income Account For Years Ended December 31 (Continued)

	1964	1963	Increase or *Decrease*
RENT INCOME			
Rents from equipment	$ 1,695,264	$ 1,609,396	$ 85,868
Joint facility rent income	889,040	830,398	58,642
Total rent income	$ 2,584,304	$ 2,439,794	$ 144,510
RENTS PAYABLE			
Rents for equipment	$ 4,248,193	$ 4,600,742	$ *352,549*
Joint facility rents	3,252,227	3,190,452	61,775
Total rents payable	$ 7,500,420	$ 7,791,194	$ *290,774*
Net rents	$ 4,916,116	$ 5,351,400	$ *435,284*
NET RAILWAY OPERATING INCOME	$ 24,000,218	$ 25,080,623	$ *1,080,405*
OTHER INCOME			
Income from lease of road and equipment	$ 7,710	$ 5,508	$ 2,202
Miscellaneous rent income	932,094	944,407	*12,313*
Income from non-operating property	501,283	407,441	93,842
Separately operated properties—profit	8,787	10,702	*1,915*
Dividend income	398,909	407,401	*8,492*
Interest income	1,886,357	1,663,408	222,949
Income from sinking and other reserve funds	6,829	6,025	804
Release of premiums on funded debt	23	20	3
Miscellaneous income	1,177,367	933,958	243,409
Total other income	$ 4,919,359	$ 4,378,870	$ 540,489
Total income	$ 28,919,577	$ 29,459,493	$ *539,916*
MISCELLANEOUS DEDUCTIONS FROM INCOME			
Miscellaneous rents	$ 30,377	$ 29,922	$ 455
Miscellaneous tax accruals	236,915	190,362	46,553
Miscellaneous income charges	417,937	225,016	192,921
Total miscellaneous deductions	$ 685,229	$ 445,300	$ 239,929
INCOME AVAILABLE FOR FIXED CHARGES	$ 28,234,348	$ 29,014,193	$ *779,845*
FIXED CHARGES			
Rent for leased roads and equipment	$ 65,389	$ 66,064	$ *675*
Interest on funded debt	7,688,798	7,492,327	196,471
Interest on unfunded debt	*513*	809	*1,322*
Amortization of discount on funded debt	125,332	87,345	37,987
Total fixed charges	$ 7,879,006	$ 7,646,545	$ 232,461
NET INCOME	$ 20,355,342	$ 21,367,648	$ *1,012,306*

Statistics of Operations

ITEMS	1964	1963
Actual miles of road operated, end of year	8,545.54	8,545.96
Average mileage of road operated—Total	8,545.97	8,546.68
Average mileage of road operated—Freight Service	8,510.53	8,511.24
Average mileage of road operated—Passgr. Service	3,671.79	3,671.79
TRAIN MILES		
Freight	12,188,457	11,845,942
Passenger	8,176,562	8,206,889
Total transportation service	20,365,019	20,052,831
Work service	70,914	52,193
LOCOMOTIVE MILES		
Freight	12,507,985	12,126,502
Passenger*	8,269,633	8,272,633
Train and yard switching	6,467,468	6,135,105
Total transportation service	27,245,086	26,534,240
Work service	635,308	605,193
CAR MILES		
Loaded freight cars	528,528,943	530,580,573
Empty freight cars	341,990,661	316,767,376
Sum of loaded and empty	870,519,604	847,347,949
Caboose	11,847,349	11,762,307
Total freight cars	882,366,953	859,110,256
Coach and combination passenger cars	24,387,955	23,938,197
Sleeping and parlor	13,978,806	14,810,464
Club, lounge, dining and observation	8,658,410	8,753,793
Other	37,770,447	35,709,430
Total passenger cars	84,795,618	83,211,884
Total transportation service	967,162,571	942,322,140
Work service	696,948	508,591
FREIGHT SERVICE		
Tons—revenue freight	56,643,713	54,092,128
Tons—revenue and non-revenue freight	58,530,229	55,866,916
Ton-miles—revenue freight	18,084,661,144	17,646,415,120
Ton-miles—revenue and non-revenue freight	18,532,451,300	18,094,975,400
PASSENGER SERVICE		
Passengers carried—revenue	11,107,338	10,842,983
Passenger miles—revenue	820,331,042	800,724,819

*Excludes mileage of combination motor passenger cars:
1964—none
1963—27,476

Statistics of Operations — Continued

ITEMS	1964	1963
AVERAGES PER MILE OF ROAD		
Freight-train miles	1,432	1,392
Passenger-train miles	2,227	2,235
Transportation service train-miles	2,383	2,346
Transportation service locomotive-miles	3,188	3,105
Freight service car-miles	103,679	100,938
Passenger service car-miles	23,094	22,662
Freight revenue	$25,737.22	$25,063.57
Passenger service train revenue	$11,064.51	$10,916.48
Operating revenues	$31,287.21	$30,621.68
Operating expenses	$25,422.35	$24,401.89
Net operating revenue	$ 5,864.86	$ 6,219.79
Net railway operating income	$ 2,808.37	$ 2,934.55
Ton miles—revenue freight	2,116,269	2,064,710
Ton miles—all freight	2,177,591	2,126,009
Passenger-miles—revenue	95,990	93,688
AVERAGES PER TRAIN-MILE		
Loaded freight car-miles	43.36	44.79
Empty freight car-miles	28.06	26.74
Ton-miles—revenue freight	1,483.75	1,489.66
Ton-miles—all freight	1,520.49	1,527.53
Passenger train car-miles	10.37	10.14
Revenue passenger-miles	100.33	96.35
Freight revenue	$ 17.97	$ 18.01
Passenger service train revenue	$ 4.97	$ 4.88
Operating revenues	$ 13.13	$ 13.05
Operating expenses	$ 10.67	$ 10.40
Net operating revenue	$ 2.46	$ 2.65
AVERAGES PER LOADED FREIGHT CAR MILE		
Ton-miles—revenue freight	34.22	33.26
Ton-miles—all freight	35.06	34.11
Freight revenue	$ .41443	$ .40205
AVERAGES PER CAR-MILE, PASSENGER		
Passenger-miles—revenue	21.52	20.81
Passenger revenue	$ .54576	$ .53724
MISCELLANEOUS AVERAGES		
Miles hauled—revenue freight	319.27	326.23
Miles hauled—non-revenue freight	237.36	252.74
Miles hauled—all freight	316.63	323.89
Net ton miles per freight car day	1,247	1,196
Miles carried—revenue passengers	73.85	73.85
Revenue per ton of freight	$ 3.86685	$ 3.94368
Revenue per ton-mile of freight	$ .01211	$ .01209
Revenue per passenger	$ 1.87233	$ 1.90702
Revenue per passenger-mile	$ .02535	$ .02582
Operating ratio	81.25	79.69

Operating Revenues

Year ended December 31	Average Operated Mileage	Freight Revenue	Passenger Revenue	Mail, Express and Miscellaneous Revenue
1921	9,393.07	$122,716,630	$31,396,048	$14,599,590
1922	9,393,69	121,388,901	28,380,104	15,147,466
1923	9,401.41	126,433,098	28,569,831	16,267,732
1924	9,407.23	119,773,873	26,522,642	16,378,363
1925	9,398.62	118,670,808	25,116,398	15,367,972
1926	9,403.79	121,410,650	24,288,307	15,618,485
1927	9,390.00	118,497,414	22,058,572	15,764,468
1928	9,375.44	126,952,879	19,715,276	16,223,254
1929	9,373.21	126,777,844	18,817,973	16,814,108
1930	9,332.76	111,157,128	15,360,186	14,862,108
1931	9,312.69	88,237,564	11,205,062	11,776,334
1932	9,261.96	63,182,739	7,311,279	9,049,611
1933	9,237.41	63,319,234	6,722,104	8,455,637
1934	9,143.98	64,815,018	6,749,238	8,723,903
1935	9,035.66	66,817,189	6,978,101	9,129,919
1936	9,004.40	79,716,638	8,217,025	10,148,748
1937	8,975.40	79,966,473	9,717,844	10,466,895
1938	8,964.66	74,134,765	9,141,388	9,793,983
1939	8,973.06	76,853,603	9,167,835	10,110,356
1940	8,973.21	78,198,344	8,964,197	10,468,701
1941	9,036.00	94,874,259	10,697,250	11,949,846
1942	9,077.68	131,770,823	19,100,283	14,418,219
1943	9,029.56	166,123,159	32,923,900	18,905,424
1944	8,989.35	180,453,652	40,141,385	20,042,363
1945	8,965.22	183,286,915	38,193,572	21,062,311
1946	8,865.75	148,897,285	27,896.559	19,131,821
1947	8,864.97	181,409,104	19,029,068	20,740,839
1948	8,813.82	199,341,245	20,198,852	21,823,554
1949	8,766.61	179,802,953	17,818,681	20,374,874
1950	8,842.51	199,932,606	17,679,514	27,635,441
1951	8,824.01	220,253,697	19,192,719	27,147,252
1952	8,823.89	223,230,964	20,173,457	26,943,359
1953	8,866.77	230,610,550	20,349,507	27,453,755
1954	8,860.31	206,301,405	18,917,207	27,134,102
1955	8,823.89	203,700,425	19,249,645	26,276,202
1956	8,804.00	212,288,429	20,226,396	24,517,670
1957	8,776.89	212,715,213	20,922,686	24,670,316
1958	8,729.71	213,055,729	20,288,221	24,683,750
1959	8,683.45	215,330,208	20,746,554	26,996,121
1960	8,659.25	202,493,479	21,430,686	27,211,725
1961	8,626.27	205,020,997	21,211,215	27,928,600
1962	8,558.37	213,428,177	22,043,503	27,962,858
1963	8,546.68	213,322,099	20,677,819	27,713,766
1964	**8,545.97**	**219,037.355**	**20,796.592**	**27,545.582**

Revenues, Expenses, and Taxes

Year Ended Dec. 31	Total Operating Revenues	Total Operating Expenses	Taxes Income Account 532	Average Per Mile of Road Operated		
				Operating Revenues	Operating Expenses	Taxes
1921	$168,712,268	$128,216,290	$ 9,718,568	$17,961	$13,650	$1,035
1922	164,916,471	126,777,703	10,890,007	17,556	13,496	1,159
1923	171,270,661	134,290,379	9,268,055	18,218	14,284	986
1924	162,674,878	119,958,734	10,642,576	17,293	12,752	1,131
1925	159,155,178	116,671,868	10,975,481	16,934	12,414	1,168
1926	161,317,442	116,462,808	11,480,061	17,155	12,385	1,221
1927	156,320,454	111,917,503	11,676,578	16,648	11,919	1,244
1928	162,891,409	114,191,159	11,192,210	17,374	12,180	1,194
1929	162,409,925	111,565,542	12,025,394	17,327	11,903	1,283
1930	141,379,422	98,877,813	11,191,877	15,149	10,595	1,199
1931	111,218,960	77,465,969	9,955,502	11,943	8,318	1,069
1932	79,543,629	58,517,604	8,148,156	8,588	6,318	880
1933	78,496,975	54,361,599	6,918,697	8,498	5,885	749
1934	80,288,159	58,007,983	5,783,597	8,780	6,344	633
1935	82,925,209	62,544,384	5,983,920	9,178	6,922	662
1936	98,082,411	71,243,003	8,411,126	10,893	7,912	934
1937	100,151,212	74,278,004	7,731,466	11,158	8,276	861
1938	93,070,136	67,087,220	9,061,509	10,382	7,484	1,011
1939	96,131,794	70,885,896	8,616,802	10,713	7,900	960
1940	97,631,242	71,853,873	8,697,632	10,880	8,008	969
1941	117,521,355	83,047,925	11,900,410	13,006	9,191	1,317
1942	165,289,325	99,415,696	26,192,996	18,208	10,952	2,885
1943	217,952,483	123,559,336	55,573,644	24,138	13,684	6,155
1944	240,637,400	145,854,303	57,190,637	26,769	16,225	6,362
1945	242,542,798	174,150,921	30,248,889	27,054	19,425	3,374
1946	195,925,665	139,250,672	25,693,903	22,099	15,707	2,898
1947	221,179,011	149,996,344	34,407,950	24,950	16,920	3,881
1948	241,363,651	167,888,010	35,912,048	27,385	19,048	4,075
1949	217,996,508	167,265,649	26,192,248	24,867	19,080	2,988
1950	245,247,561	161,964,673	39,773,302	27,735	18,317	4,498
1951	266,593,668	189,234,239	41,233,781	30,212	21,445	4,673
1952	270,347,780	193,435,960	39,690,137	30,638	21,922	4,498
1953	278,413,812	203,124,368	39,557,462	31,400	22,909	4,461
1954	252,352,714	190,333,761	28,989,381	28,481	21,481	3,272
1955	249,226,272	190,704,931	28,850,235	28,244	21,612	3,270
1956	257,032,495	196,359,600	31,392,521	29,195	22,303	3,566
1957	258,308,215	205,579,093	26,291,733	29,430	23,423	2,996
1958	258,027,700	200,263,598	27,403,280	29,557	22,940	3,139
1959	263,072,883	209,875,069	27,339,438	30,296	24,170	3,148
1960	251,135,890	203,951,532	25,178,072	29,002	23,553	2,908
1961	254,160,812	201,902,807	27,930,021	29,464	23 406	3,238
1962	263,434,538	207,899,089	25,034,208	30,781	24,292	2,925
1963	261,713 684	208,555,126	22,726,535	30,622	24,402	2,659
1964	**267,379,529**	**217,258,619**	**21,204,576**	**31,287**	**25,422**	**2,481**

Summary of Financial Results

Year ended Dec. 31	Total Revenues, including Income from other Sources	Expenses, Rentals, and other Charges	Interest on Funded Debt	Net Income	Earnings per Share of Stock
1921	$171,852,639	$139,435,531	$6,807,134	$25,609,974	$16.43
1922	168,386,706	140,005,948	8,119,271	20,261,487	11.86
1923	173,735,425	146,188,407	8,256,488	19,290,530	11.29
1924	164,788,967	134,247,699	8,641,439	21,899,829	12.82
1925	161,234,121	131,356,234	8,693,294	21,184,593	12.40
1926	164,314,046	131,699,096	8,626,981	23,987,969	14.04
1927	159,202,361	128,632,779	9,126,458	21,443,124	12.55
1928	165,929,135	130,473,328	9,177,555	26,278,252	15.38
1929	166,122,417	127,461,244	9,084,635	29,576,538	17.31
1930	144,904,521	113,840,027	9,084,635	21,979,859	12.87
1931	113,518,034	91,113,664	9,084,635	13,319,735	7.80
1932	80,906,548	70,319,097	9,084,635	1,502,816	.88
1933	80,058,804	65,376,145	9,084,635	5,598,024	3.28
1934	81,542,327	68,002,932	9,084,635	4,454,760	2.61
1935	84,006,102	73,078,623	9,084,635	1,842,844	1.08
1936	99,376,761	85,081,198	9,138,399	5,157,164	3.02
1937	101,506,074	87,279,925	9,318,895	4,907,254	2.87
1938	94,165,952	81,111,532	9,412,657	3,641,763	2.13
1939	97,266,759	84,228,649	9,376,771	3,661,339	2.14
1940	98,701,774	84,895,212	9,413,698	4,392,864	2.57
1941	118,744,477	98,760,692	9,564,643	10,419,142	6.10
1942	166,665,657	128,483,699	9,535,038	28,646,920	16.77
1943	219,490,878	182,551,064	8,708,550	28,231,264	16.53
1944	242,151,510	209,035,730	8,468,658	24,647,122	14.43
1945	244,142,926	209,309,218	7,428,309	27,405,399	16.04
1946	198,259,728	169,368,261	5,788,692	23,102,775	13.52
1947	223,062,115	189,666,103	5,654,141	27,741,871	16.24
1948	242,652,523	208,881,475	5,689,348	28,081,700	16.44
1949	219,734,305	198,626,445	5,688,368	15,419,492	9.03
1950	247,617,300	207,712,870	6,142,775	33,761,655	19.76
1951	268,204,066	237,039,202	5,915,576	25,249,288	14.78
1952	272,635,351	238,955,578	5,679,181	28,000,592	16.39
1953	280,892,910	249,044,595	6,186,809	25,661,506	15.02
1954	254,720,412	225,165,297	6,543,395	23,011,720	13.47
1955	251,768,664	223,086,211	6,524,607	22,157,846	12.97
1956	260,096,276	231,887,566	6,643,492	21,565,218	12.62
1957	261,679,935	237,695,505	6,801,818	17,182,612	10.06
1958	261,564,202	234,825,211	7,247,259	19,491,732	11.41
1959	269,062,359	244,137,433	7,228,783	17,696,143	10.36
1960	254,931,710	234,953,987	7,484,585	12,493,138	7.31
1961	257,633,478	235,703,747	7,521,065	14,408,666	8.43
1962	267,726,857	239,861,173	7,452,780	20,412,904	11.95
1963	266,092,554	237,232,579	7,492,327	21,367,648	12.51
1964	**272,298,888**	**244,254,748**	**7,688,798**	**20,355,342**	**11.91**

Maintenance and Transportation Expenses

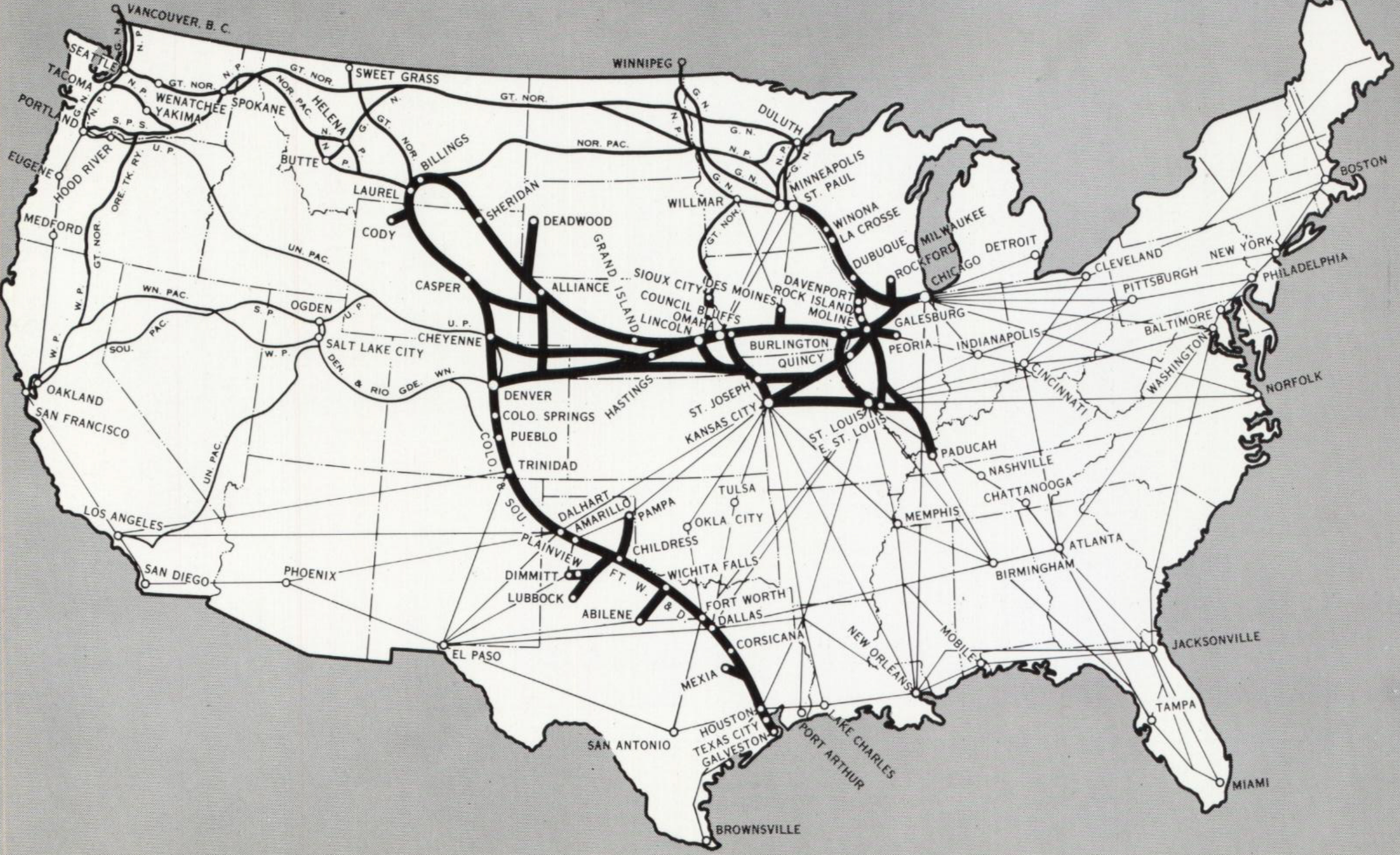
Year ended Dec. 31	Avge. oper. mileage	Maintenance of Way and Structures	Maintenance of Equipment	Transportation	Average per Mile of Road Operated		
					M. of W. & S	M. of E.	Transp.
1921	9,393.07	$22,917,767	$34,290,506	$63,564,017	$2,440	$3,651	$6,767
1922	9,393.69	20,769,379	35,735,414	62,875,593	2,211	3,804	6,693
1923	9,401.41	21,984,557	40,654,336	63,395,808	2,338	4,324	6,743
1924	9,407.23	19,413,917	34,786,170	57,810,258	2,064	3,698	6,145
1925	9,398.62	19,737,011	33,669,420	55,021,563	2,100	3,582	5,854
1926	9,403.79	23,965,178	30,131,658	54,315,494	2,548	3,204	5,776
1927	9,390.00	23,668,878	26,486,675	53,503,272	2,521	2,821	5,698
1928	9,375.44	25,515,422	27,197,586	52,922,445	2,722	2,901	5,645
1929	9,373.21	24,414,605	26,080,966	52,083,144	2,605	2,783	5,557
1930	9,332.76	20,311,640	22,553,488	46,922,911	2,176	2,417	5,028
1931	9,312.69	13,721,164	17,785,942	38,030,549	1,473	1,910	4,084
1932	9,261.96	9,576,465	13,341,550	28,952,905	1,034	1,440	3,126
1933	9,237.41	8,561,684	12,140,500	27,374,245	927	1,314	2,963
1934	9,143.98	9,860,327	12,431,389	28,564,565	1,078	1,360	3,124
1935	9,035.66	10,824,581	14,950,520	30,844,332	1,198	1,655	3,414
1936	9,004.40	12,797,545	16,820,495	34,549,546	1,421	1,868	3,837
1937	8,975.40	14,033,990	17,275,279	36,183,417	1,564	1,925	4,031
1938	8,964.66	11,654,202	15,409,733	33,620,007	1,300	1,719	3,750
1939	8,973.06	12,844,765	17,381,993	34,256,996	1,431	1,937	3,818
1940	8,973.21	13,353,279	16,783,688	35,277,423	1,488	1,870	3,931
1941	9,036.00	16,959,394	19,816,531	39,526,885	1,877	2,193	4,374
1942	9,077.68	21,025,235	24,106,233	46,267,051	2,316	2,656	5,097
1943	9,029.56	29,835,736	28,195,666	55,805,743	3,304	3,123	6,180
1944	8,989.35	40,175,260	33,790,768	61,653,940	4,469	3,759	6,859
1945	8,965.22	47,843,082	51,952,634	63,650,499	5,337	5,795	7,100
1946	8,865.75	31,412,419	27,660,941	68,613,877	3,543	3,120	7,739
1947	8,864.97	32,484,480	29,682,429	75,766,163	3,664	3,348	8,547
1948	8,813.82	37,260,444	34,365,642	83,366,308	4,228	3,899	9,459
1949	8,766.61	36,261,258	38,419,338	78,842,227	4,136	4,382	8,993
1950	8,842.51	33,786,916	34,037,570	80,955,660	3,821	3,849	9,155
1951	8,824.01	41,782,837	39,300,552	93,513,741	4,735	4,454	10,597
1952	8,823.89	42,108,312	40,839,794	95,078,458	4,772	4,628	10,775
1953	8,866.77	49,071,802	40,018,049	97,998,903	5,534	4,513	11,052
1954	8,860.31	35,419,111	43,180,519	95,609,781	3,998	4,873	10,791
1955	8,823.89	37,759,174	39,149,896	97,279,128	4,279	4,437	11,025
1956	8,804.00	35,749,003	42,790,642	99,819,421	4,061	4,860	11,338
1957	8,776.89	39,830,000	44,775,473	102,194,491	4,538	5,102	11,644
1958	8,729.71	33,528,112	45,882,097	101,590,005	3,841	5,256	11,637
1959	8,683.45	36,161,543	48,757,340	104,916,115	4,164	5,615	12,082
1960	8,659.25	34,084,898	46,414,611	103,168,403	3,936	5,360	11,914
1961	8,626.27	35,201,985	44,916,428	101,430,555	4,081	5,207	11,758
1962	8,558.37	35,748,927	48,667,939	102,911,965	4,177	5,687	12,025
1963	8,546.68	36,401,611	47,713,161	104,042,677	4,259	5,583	12,173
1964	**8,545.97**	**37,088,153**	**49,935,212**	**108,101,226**	**4,340**	**5,843**	**12,649**

Operating Expense Ratios

Year ended Dec. 31	Maintenance of Way and Structures	Maintenance of Equipment	Traffic	Transportation	Miscellaneous Operations	General	Total Operating Expenses
1921	13.58	20.32	.64	37.68	1.03	2.75	76.00
1922	12.59	21.67	.86	38.13	1.03	2.59	76.87
1923	12.84	23.74	1.30	37.01	1.00	2.52	78.41
1924	11.93	21.38	1.27	35.54	1.03	2.59	73.74
1925	12.40	21.16	1.44	34.57	1.00	2.74	73.31
1926	14.85	18.68	1.23	33.67	1.09	2.67	72.19
1927	15.14	16.94	1.45	34.23	1.02	2.82	71.60
1928	15.66	16.70	1.63	32.48	.92	2.71	70.10
1929	15.03	16.06	1.76	32.07	.99	2.78	68.69
1930	14.37	15.95	2.28	33.19	1.02	3.13	69.94
1931	12.33	15.99	2.50	34.19	.86	3.78	69.65
1932	12.04	16.77	3.09	36.40	.83	4.44	73.57
1933	10.91	15.46	2.87	34.87	.82	4.32	69.25
1934	12.28	15.48	2.90	35.58	.92	5.09	72.25
1935	13.05	18.03	2.68	37.20	1.07	3.39	75.42
1936	13.05	17.15	2.48	35.22	1.02	3.72	72.64
1937	14.01	17.25	2.47	36.13	1.23	3.08	74.17
1938	12.52	16.56	2.91	36.12	1.25	2.72	72.08
1939	13.36	18.08	2.85	35.64	1.22	2.59	73.74
1940	13.68	17.19	2.79	36.13	1.21	2.60	73.60
1941	14.43	16.86	2.33	33.64	1.18	2.23	70.67
1942	12.72	14.59	1.82	27.99	1.27	1.76	60.15
1943	13.69	12.94	1.52	25.60	1.28	1.66	56.69
1944	16.70	14.04	1.43	25.62	1.25	1.57	60.61
1945	19.73	21.42	1.49	26.24	1.28	1.64	71.80
1946	16.03	14.10	2.07	35.02	1.59	2.26	71.07
1947	14.69	13.42	2.03	34.26	1.33	2.09	67.82
1948	15.44	14.24	1.94	34.54	1.20	2.20	69.56
1949	16.63	17.62	2.35	36,17	1.37	2.59	76.73
1950	13.78	13.88	2.02	33.01	1.20	2.15	66.04
1951	15.67	14.74	2.02	35.08	1.21	2.26	70.98
1952	15.57	15.11	2.09	35.17	1.28	2.33	71.55
1953	17.63	14.37	2.19	35.20	1.21	2.36	72.96
1954	14.03	17.11	2.42	37.89	1.33	2.64	75.42
1955	15.15	15.71	2.47	39.03	1.40	2.76	76.52
1956	13.91	16.64	2.65	38.84	1.46	2.89	76.39
1957	15.42	17.34	2.74	39.56	1.45	3.08	79.59
1958	12.99	17.78	2.83	39.37	1.37	3.27	77.61
1959	13.75	18.53	2.88	39.88	1.38	3.36	79.78
1960	13.57	18.48	3.01	41.08	1.40	3.67	81.21
1961	13.85	17.67	2.98	39.92	1.29	3.73	79.44
1962	13.57	18.47	2.98	39.07	1.31	3.52	78.92
1963	13.91	18.23	3.05	39.76	1.18	3.56	79.69
1964	**13.87**	**18.68**	**3.08**	**40.43**	**1.14**	**4.05**	**81.25**

Freight and Passenger Traffic

Year ended Dec. 31	Carloads Revenue Freight (Excl. L.C.L.)	Revenue Ton Miles (000)	Revenue Per Ton Mile (Cents)	Revenue Passenger Miles (000)	Revenue Per Pass. Mile (Cents)
1921	1,138,140	10,554,788	1.163	999,701	3.141
1922	1,267,228	11,754,596	1.033	941,748	3.014
1923	1,422,035	12,690,384	.996	967,097	2.954
1924	1,392,061	12,287,748	.975	909,302	2.917
1925	1,394,884	12,298,288	.965	893,670	2.810
1926	1,427,076	12,651,222	.960	871,773	2.786
1927	1,380,681	11,918,019	.992	811,600	2.718
1928	1,477,074	12,931,723	.982	730,970	2.697
1929	1,468,784	12,873,521	.985	719,017	2.617
1930	1,285,504	11,356,359	.979	606,612	2.532
1931	1,015,772	8,888,694	.993	472,742	2.370
1932	761,188	6,297,639	1.003	347,834	2.102
1933	790,498	6,598,639	.960	387,065	1.737
1934	858,977	7,137,168	.908	425,949	1.585
1935	844,557	7,522,420	.888	424,789	1.643
1936	1,015,083	9,062,367	.880	499,516	1.645
1937	1,034,615	9,423,153	.849	587,409	1.654
1938	894,051	7,876,092	.941	530,835	1.722
1939	939,635	8,417,254	.913	544,510	1.684
1940	996,830	8,972,423	.872	539,670	1.661
1941	1,181,449	11,339,218	.837	640,033	1.671
1942	1,385,416	15,290,591	.862	1,080,880	1.767
1943	1,509,738	18,960,387	.876	1,822,197	1.807
1944	1,569,328	19,751,865	.914	2,220,707	1.808
1945	1,552,950	18,820,920	.974	2,116,701	1.804
1946	1,451,973	16,657,849	.894	1,529,489	1.824
1947	1,552,552	19,274,376	.941	955,746	1.991
1948	1,488,445	18,357,884	1.086	870,790	2.320
1949	1,314,873	15,250,054	1.179	757,891	2.351
1950	1,397,186	16,755,823	1.193	748,699	2.361
1951	1,491,768	18,625,332	1.183	826,128	2.323
1952	1,422,481	17,096,963	1.306	883,205	2.284
1953	1,452,471	16,825,004	1.371	902,036	2.256
1954	1,390,883	15,709,662	1.313	837,706	2.258
1955	1,437,596	16,096,078	1.266	861,327	2.235
1956	1,460,407	16.670,939	1.273	886,357	2.282
1957	1,359,116	15,600,062	1.364	889,103	2.353
1958	1,333,315	15,258,487	1.396	862,595	2.352
1959	1,363,563	15,693,022	1.372	872,351	2.378
1960	1,313,383	15,256,220	1.327	874,279	2.451
1961	1,312,590	15,729,304	1.303	855,285	2.480
1962	1,369,875	17,069,856	1.250	853,933	2.581
1963	1,369,589	17,646,415	1.209	800,725	2.582
1964	**1,410,668**	**18,084,661**	**1.211**	**820,331**	**2.535**


VANCOUVER, B. C.
SEATTLE
TACOMA
PORTLAND
EUGENE
HOOD RIVER
MEDFORD
WENATCHEE
YAKIMA
SPOKANE
GT. NOR.
N. P.
G. N.
S. P. S.
U. P.
ORE. TK. RY.
GT. NOR.
W. P.
SWEET GRASS
HELENA
NOR. PAC.
GT. NOR.
BUTTE
BILLINGS
LAUREL
CODY
SHERIDAN
DEADWOOD
GRAND ISLAND
WINNIPEG
DULUTH
G. N.
N. P.
NOR. PAC.
MINNEAPOLIS
ST. PAUL
WILLMAR
GT. NOR.
WINONA
LA CROSSE
DUBUQUE
MILWAUKEE
ROCKFORD
CHICAGO
DETROIT
UN. PAC.
CASPER
ALLIANCE
SIOUX CITY
DES MOINES
COUNCIL BLUFFS
OMAHA
LINCOLN
DAVENPORT
ROCK ISLAND
MOLINE
GALESBURG
WN. PAC.
OGDEN
S. P.
U. P.
SALT LAKE CITY
CHEYENNE
SOU. PAC.
W. P.
DEN. & RIO GDE. WN.
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SAN FRANCISCO
DENVER
COLO. SPRINGS
PUEBLO
TRINIDAD
HASTINGS
BURLINGTON
QUINCY
PEORIA
ST. JOSEPH
KANSAS CITY
ST. LOUIS
E. ST. LOUIS
PADUCAH
CLEVELAND
PITTSBURGH
NEW YORK
PHILADELPHIA
BOSTON
BALTIMORE
WASHINGTON
INDIANAPOLIS
CINCINNATI
NORFOLK
NASHVILLE
CHATTANOOGA
UN. PAC.
COLO. & SOU.
DALHART
AMARILLO
PAMPA
TULSA
OKLA. CITY
CHILDRESS
WICHITA FALLS
PLAINVIEW
DIMMITT
LUBBOCK
FT. W. & D.
ABILENE
FORT WORTH
DALLAS
CORSICANA
MEXIA
LOS ANGELES
SAN DIEGO
PHOENIX
EL PASO
MEMPHIS
ATLANTA
BIRMINGHAM
NEW ORLEANS
MOBILE
JACKSONVILLE
TAMPA
MIAMI
HOUSTON
TEXAS CITY
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PORT ARTHUR
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1964 ANNUAL REPORT

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